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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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BUSINESS STILL FACES PROBLEMS OF ADJUSTMENT

Industry in Canada Continues in a Depressed Condition

THE RETAIL TRADE

Volume of Retail Sales Continues at or Near Level of Last Year—Canadian Situation Reviewed

A broad survey of the business conditions in various parts of the Dominion leads to the conclusion that the problems of the adjustment period have not yet been fully solved. Industry is depressed, and with the exception of rare glimmerings of improvement gives little ground for the hope of an immediate return to normal activity—there has been little diminution of the volume of unemployment. One hopeful sign is the fact that employers are finally reducing production costs by the reduction of wages, and when this movement becomes general the way will be prepared for production in the future at costs which are comparatively normal. The markets for agricultural products and basic materials have slumped to low levels during the course of the past three or four months, and the fact that the production cost factor was held up has been responsible in large measure for the high cost to the consumer.

THE FINANCIAL POST is in receipt of some hundred or more replies to a questionnaire submitted to bank managers across Canada. Several phases of the business situation are discussed, particularly applying to industry, to retail trade, to building and to agriculture. From a careful analysis of these replies it may be stated definitely that business on the whole throughout Canada is being conducted along restricted lines. The retailer is meeting altered conditions and is marking his goods down to conform more closely with replacement values. The extent of this reduction of course varies, but on the whole substantial progress has been made. One hopeful feature of the situation, as revealed through these replies is the fact that the retail trade has not suffered to the same extent as industrial lines of enterprise. The reports indicate that retail sales are continuing in practically as large a volume as for the corresponding period a year ago. In a number of instances a reduction is reported but when it is considered that the prices have been reduced since a year ago it is quite probable that the volume of goods actually handled is as large or larger. This condition removes from the consumer the onus of responsibility for the "buyers' strike." There is no strike among the consuming public although there is no doubt that the individual is buying more carefully, and in smaller quantities, but he comes back to the market oftener. The retailers are however, adopting a conservative policy and are strictly limiting purchases to meet immediate needs only. Stocks in retailers and wholesalers hands must be cleaned up before manufacturers will again find anything like a normal demand.

In Building Trades

There is a very decided impression in the building trades throughout Canada. Very little building is in sight for the immediate future in the majority of Canadian cities and towns. In every case the lack of activity in this line is attributed to the high costs of labor, and in a lesser degree to the high cost of materials.

The farmer too has suffered with the rest of the community. He has been forced to sell his season's produce at reduced prices. A large quantity of grain has been held in store to await a return of higher prices, but the opinion now prevails that the era of high prices for farm products is definitely past for the time being. Stocks have been fairly well reduced in consequence.

BRITISH COLUMBIA

There is a distinct tone of optimism in the replies from the Pacific Coast province. While the turn has not as yet been pronounced there is a feeling that the worst is over and that from

Continued on page 14.

BELL TELEPHONE "RIGHTS"

Sell Lower Than Expected on the Market

From Our Own Correspondent.

MONTREAL. — Bell Telephone rights came on the market this week at 50 cents, far lower than had been expected as on the prevailing basis on which the stock itself was selling around $104-$105 a share, the rights worked out at about $1 each. From 50 they dropped quickly to 15, but rallied to 20, where all offerings were readily absorbed. At 20 cents for the rights the stock would cost slightly under $101 a share. The only explanation heard is that the rights were dumped on a market that was not ready to assimilate them.

OFFICIAL STATEMENT STEAMERS' ANNUAL

Meeting to be Held Next Week—Curiosity to be Satisfied

From Our Own Correspondent.

MONTREAL.—The annual meeting of Canada Steamship Lines will be held on Monday of next week, and in connection therewith an adjourned special meeting called for Saturday last to authorize by laws connected with the new financing of the company. At this meeting several questions were asked as to the company's position, and the need for financing, and it is understood that at the annual meeting an official explanation will be issued in reference to various purchases.

TALK "TEXTILE" BONUS OF 4 PER CENT. STOCK

Plan to Give Share for Share of Verdun Subsidiary—Equal to 14 Per Cent.

From Our Own Correspondent.

MONTREAL.—The chief upward movement on the stock market this week was provided by the Dominion Textile Company in what was called "good buying." While an excellent statement with far less than the average loss on inventories will appear in a few days, covering the year ending March 31, 1921, it is believed that the steady rise has more than this behind it. The first suggestion was an increase in the regular dividend from 10 to 12 per cent., but this received little credence. The plan really under consideration would appear to be a bonus of the stock of Dominion Cottons, the Verdun subsidiary of Dominion Textile. It is suggested that the holder of each share of Textile will receive a share of the other, which would be placed on a 4 per cent. basis, or an equivalent of 14 per cent. Some such plan was under consideration last year, but the time did not appear opportune. Last year Textile increased its dividend from 8 to 10 per cent.

BRAZILIAN POOL CABLING TO LONDON

Anxious to Know Whether Extensive Liquidation Will Follow Moderate Rise

From Our Own Correspondent.

MONTREAL.—The sudden rise in Brazilian Traction stock on Wednesday came as a surprise to the market, where the holder was coming to be endowed with a high average of patience. It is understood that a pool took up the stock on Tuesday as soon as it was learned that a large block, once overhanging, had been liquidated. The impression in Montreal was that Toronto was selling. The moment the rise began a number of cables were sent to London to ascertain how much stock was likely to come over on a moderate rise, and it is said that the information received will decide on the future course of the pool.

CUBAN CANADIAN DIVIDEND

From Our Own Correspondent.

MONTREAL.—It is understood that the preferred dividend of Cuban-Canadian Sugar, now due, will be passed. In January last the regular dividend on the preferred was declared, covering the previous quarter. The present uncertainty as to conditions and future prices, it is believed, has led to this action on the preferred dividend.

LARGER WHEAT ACREAGE THAN ANTICIPATED

Manitoba Free Press Report is Decidedly Cheerful Document

UNIFORM MOISTURE

Districts Which Have Been Dry For Five Years Are Well Supplied—Labor Supply At Fair Wages

By E. CORA HIND,
Commerce Editor, Manitoba "Free Press."

WINNIPEG.—The Free Press first crop report for the season of 1921 proved a decidedly cheerful document and indeed much more so than was anticipated even by the best posted. The outstanding feature was the fact that wheat acreage so far from being materially reduced is quite as large as last year and possibly even a little larger. Oat acreages will be reduced, but possibly not so much as expected. Barley will be increased, and while flax acreage will be greatly reduced, there is a heavy increase in spring rye and more land than usual will be devoted to forage crops.

After the acreage the most outstanding feature of the report is the uniform abundance of moisture reported and the equally uniform supply of labor at a reasonable wage, namely, an average of $55 per month taking the West as a whole.

In regard to moisture, districts which have been dry for five years have this year had seeding delayed on account of wet ground. On the 12th and 13th of May there was heavy frost following the rains, and while this frost undoubtedly hurt wild fruit blossom and some of the vegetables which were up, it had a very healthy effect in checking the hatching of grasshoppers, and while it singed the tops of the wheat in some places it certainly did no harm, while the rain which preceded it put an end to the drifting of soil which was occasioning anxiety in some districts, more especially in Saskatchewan, and the amount of reseeding necessary will be small.

The Situation

To sum up, the season is late but 95 per cent. of the wheat was in by the 17th of May, which is only seven days later than what is considered ideal seeding time in the West, namely, up to May 10. It went in on a moist, well worked seed bed, and with anything like normal conditions from now on should do well, and the cool weather means a good root. Furthermore, one cold spell is looked for in May in the West and this year it has come and gone at a time when it could do little if any harm so far as grain crops are concerned. Since the frost weather has warmed up gradually and at moment of writing is ideal spring weather with good growth.

So far as the butter market is concerned things are not improving except for the consumer. The price of butter fat at shipping points in the country is down to 28 cents, the lowest price since before the war, and Tuesday session of the newly established produce exchange no sales of creamery butter were made. Offerings were at 29 to 30 with bids at 26 to 27. Eggs were not much better, as out of 1,440 cases offered only 120 cases sold. Current receipts sold at 21½ and "loss off" brought 22 as a best bid.

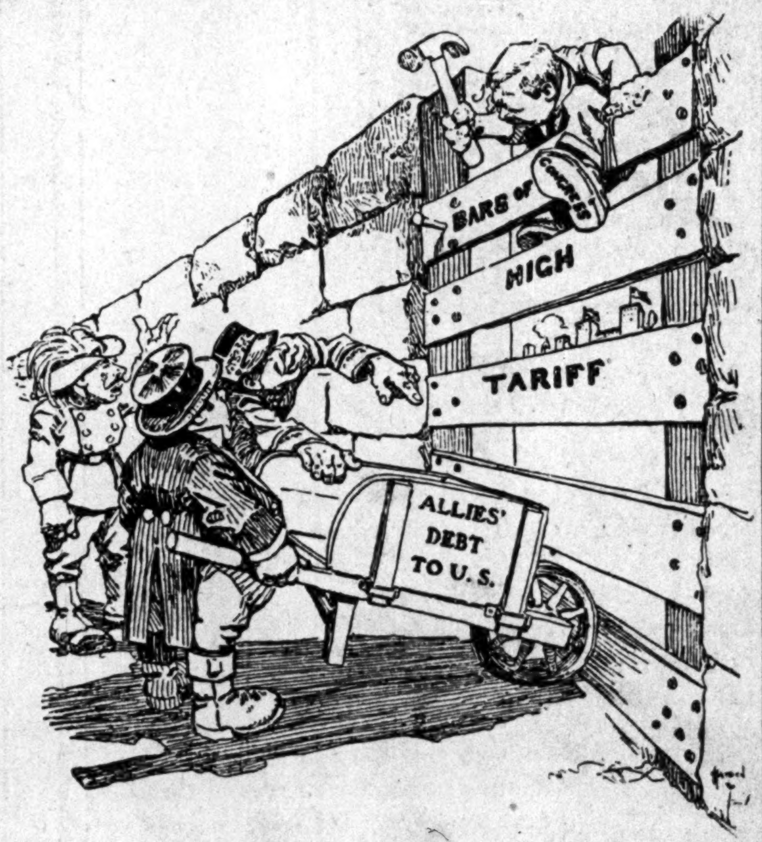
$1,000,000 OF HOWARD SMITH

New Script Available For Sale

From Our Own Correspondent.

MONTREAL.—The available stock of Howard Smith Paper Mills was increased for trading purposes this week by $1,000,000 worth, or 10,000 shares, making a total of $4,000,000, or 40,000 shares. This was the new stock issued at par in November last, but not considered as paid up, and therefore eligible to be exchanged for script until May 15.

An extension of time to June 2 has been given bondholders of Toronto Paper Mfg. Co. to exchange their 6 per cent. securities for the new 7 per cent. bonds.



—N.Y. "Evening Post."

Illustrating the idea of a growing realization in the United States that tariff walls can be built too high.

Hydro Radials Would Show Deficit on Prevailing Rates

But Sir Adam Beck Says Legislation Would Be Secured to Increase Them to Cover Cost on Same Basis as Hydro

To make the Hydro Radial projects being investigated by the Sutherland Commission show a surplus, Bion J. Arnold, the star witness for the Beck scheme, based his figures of revenue on a passenger rate of 2.87 cents a mile while at present the rate in Ontario, as limited by legislation, is 2 cents a mile. The latter rate would mean a deficit of about $500,000 a year or about double the surplus estimated on the higher basis.

Faced with these figures Sir Adam Beck tells the public that this would be easily overcome by getting legislation to allow the Hydro to charge whatever rates might be necessary to make the roads pay. Thus it seems the province is not only to be loaded with a new system at a cost of many millions—when there is not sufficient traffic to make the existing lines pay—but the rates are to be much higher than those now charged.

It has of course been pointed out before that while Sir Adam Beck has effectively used the political powers of his Hydro-Electric municipal machine to prevent other radials from getting more than the two cent rate and has been able to kill proposed legislation to allow the Railway Board to permit such increases as actually required to maintain service in the public interest, he has obtained a rate of 2.87 cents for his pet Port Stanley proposition because that is operated under a Dominion and not a provincial charter.

Ontario should study the experience of Canada in regard to railroads and should be prepared to see existing national lines pay before building others to compete with them.

Unless accompanied by an interpreter and guide a wayfarer is likely to get lost in the mass of statistics and details through which the Commission is wading. It is significant that I. F. Hellmuth, K.C., in his cross-examination of the Chicago technical authority, Bion J. Arnold, the Hydro star witness offered the suggestion that Mr. Arnold himself had scarcely more than seen the report before he went into the witness box. He asked Mr. Arnold if the report was not entirely the handiwork of a staff of assistants and if Mr. Arnold was not more or less a stranger to the volume. The Chicago expert is an experienced and careful man, and answered the question by shrewdly avoiding a denial.

Outside of the actual figures and findings in this voluminous report, opinions were obtained from Mr. Arnold which have an interesting bearing on the whole Hydro radial scheme. He admitted that in order to get estimated earnings the Hydro lines, if built, would take from existing roads a good deal of traffic. Counsel thought they would "rob" the present lines. The witness preferred gentler words to express the process. General Mitchell was curious to know if the Hydro to get all its expected receipts wouldn't "kill" some of the existing roads in Ontario. Here again Mr. Arnold acknowledged traffic "would be taken from" but he didn't see a death sign hanging at any station.

Starving Present Roads

In this connection THE FINANCIAL POST has secured some statistics. The Grand Trunk has over 5,000 miles of line in Ontario which may be called tributary to Toronto. The Grand Trunk will soon be formally delivered over to the Canadian Government and will become a part of the National Railway system. Much of this mileage is not paying its way now. The serious question the public ownership supporters have to ask themselves is how they can avoid a form of slow death if new

Continued on page 9.

MASSEY-HARRIS CO. STUDIES NEW MARKET

Shows Example of Good Export Trade Policy by Studying Conditions

An example of how Canadian firms should enter the export market is provided in the policy of the Massey-Harris Company in extending the field of operations. For a number of years the company has been successfully marketing a combination reaper-binder in Australia and South America. When, however, Spain, Algeria and South Africa were considered, certain changes and improvements on the machine were effected in order to make it more thoroughly suitable to the type of farming and class of people found in these new markets. A number of machines were next shipped over and complete tests and study of the situation instituted. It may safely be said that if mechanical harvesting equipment is saleable at all in these countries, the Massey-Harris Co. will secure its fair share of business by these methods.

The case is but a repetition of the advice which men experienced in export problems have always given. The market is available for those firms who will by first-hand investigation find out the local conditions of trade and the particular fancies or needs of the people.

SENTIMENT OF STOCK MARKETS MORE HOPEFUL

View With Favor Prospective Reduction of Railway Wages

TRACTIONS FIRM

On the Whole, However, Markets Pursue Irregular Course—Await Definite Signs of Business Adjustment

One or two developments of importance during the past week have tended to improve market sentiment at least, if not market activity. The decision of the Railway Labor Board in the United States to allow a cut in railway wages is generally regarded as a hopeful movement and an indication that rapid adjustment would now be possible, not only by the railway companies but by practically every line of industry. Freight charges have been maintained at high levels mainly because of the fact that freight employees are still receiving the highest rate of pay, and freight has contributed a comparatively large proportion of the cost of finished products. The tangible effect of the decision has been limited so far to a slight advance in the rail issues, as the street is awaiting more specific information as to the probable extent of wage reductions, which will not be announced before June 1.

There were several bright spots in the week's markets, although on the whole the movement followed the same restricted course as in the previous weeks. Members of the traction group were distinctly firmer, and one old favorite which has been dormant in so far as price movements are concerned displayed conspicuous strength. Influences peculiar to this security alone brought about this change, although sentiment toward the public utilities generally is bullish at the present time. A textile, whose annual statement will be issued shortly, and regarding which there are favorable anticipations, was another feature, and moved forward in a large turnover. Beyond these issues, however, the market was devoid of interest.

The markets are marking time and are awaiting some definite evidence that adjustment is well on its course. Reports on business conditions from various parts of the country are not inspiring and indicate that while retail trade is being conducted along fairly normal lines, with turnover approximately on the same level as a year ago, industry is acutely depressed. Factories in the main are running at part time only, while many are closed down, and the volume of unemployment as yet shows no signs of diminution.

THE POST
THIS WEEK CONTAINS

Knowledge of the Law of Contracts Vital to Business Success 2
Maritime Firms Meeting the Cost of Living Problem 3
Sir Edmund Walker Talks on Trade Prospects with South America.... 3
Unfair Methods of Comparison to Prove Railwaymen Underpaid.... 4
Mining Circles See Brighter Prospects for the Silver Mines........ 5
Canadian Cottons in Fine Shape for Future Business 6
Bell Telephone Co. Makes $5,725,000 Issue of Capital Stock 7
Sterling Bank Reduced Loans, But Not Profits 8
French Bankers Closing Two-Year Special Course 9
The Attitude of the Bank Manager to the New Retailer 9
What the Province of Ontario Has Done for the Hydro........ 10
The American Experiment in Limiting Immigration 11
Loan Companies Want Efficient Municipalities 12
Montreal Chooses Council System of Forty-Five Members 13
Life Insurance and Some of Its Economic Aspects 14
Canada Land and Irrigation Gets Area Under Water........ 14
Business Still Faces Problems of Adjustment 15
London Report on Gift of Salmon Said to Be Unfounded 16

EDITORIAL

Ottawa Has Not Invited Krassen—U.S. Cabinet System Better Than British—Mr. Parsons or Sir Edmund Walker 10

Banking Service for All

As the majority of the first directorate of the Bank of Montreal, formed in 1817, were Scotchmen or bore Scotch names it was but natural that they should seek in Canada "to extend and to perpetuate for the farmer and the merchant the benefits and stimulus of a system the worth of which Scotland's prosperity could abundantly prove." One of the outstanding features of the system was the maintenance of numerous branches by banks of large capital.

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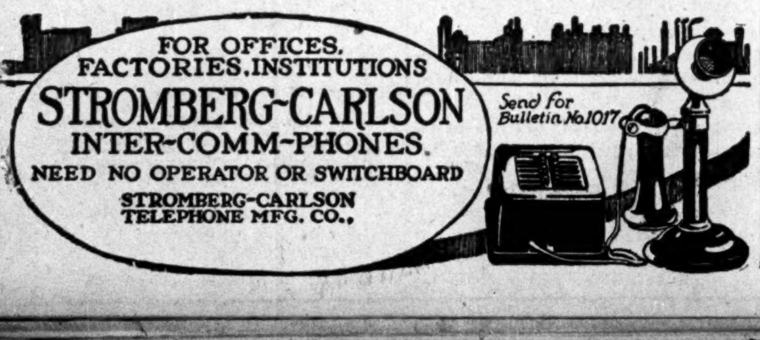

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TO FILM PEDDLER'S WINNING OF MILLION

Syrian Immigrant Who Became Rich in Oklahoma Will Have Life Depicted

Joe Abraham, Syrian merchant, cotton broker, oil magnate and town builder, who came to Bristow, Oklahoma, as a poor peddler twenty-four years ago, is going to have a "movie" made of his life from the time he was born in Syria until now.

Filming of events which transpired in his life in America is under way. J. B. Kent, of Chandler, Okla., is making the picture. After this part of the film is made Mr. Kent and Mr. Abraham will go to Syria for scenes in Mr. Abraham's early life. Mr. Kent recently took pictures of some of the properties and holdings of Mr. Abraham.

Although Mr. Abraham will go back to Syria with one of the finest automobiles that money can buy and will be wearing the best of clothes, he will have to discard these and don the rags and Oriental costume while the movie man records the events of his boyhood days. Scenes also will be taken in Egypt and China.

While taking the picture in America Mr. Abraham will have to shoulder the old pack and walk down the hot, dusty road into Bristow as he did twenty-four years ago. He must wear a black moustache, soil his face and hands and put on the old dirty brown, loose fitting suit with baggy knees.

Then the picture will follow him to his store in Chandler and thence to Bristow, where scenes of his 1,400-acre farm, his fine residence, other property and incidents of his life are being filmed.

SASKATCHEWAN OIL

From Our Own Correspondent.

REGINA. — Good progress is now being made with the drilling for natural gas in the Rush Lake field. The Imperial Oil Company is developing the field under an arrangement with the Great West Natural Gas Corporation. The latter have the franchise to supply Regina with the gas. Drilling has now reached a level of 1,300 feet and several gas pockets have been struck.

KNOWLEDGE OF THE LAW OF CONTRACTS VITAL TO SUCCESS

Thos. N. Phelan Explains Many Interesting Points in This Law

THREE ESSENTIALS

The Necessary Forms and Details Affecting Your Business Should be Studied So as to Make Contracts Secure

Enlarging upon the above fundamentals, Mr. Phelan showed that though an offer is a proposal, every proposal is not an offer. An advertisement or a circular is not an offer; it is merely an invitation to the public to make an offer which may then be accepted or refused. A verbal offer has no recognition in law, when the value is over $40. This is a vital point to remember in view of the amount of business that is done over the telephone. Offers or acceptances, for commodities over the value of $40, made per telephone, must be confirmed in writing to be legally enforceable.

Seventy-five per cent. of the litigation involving the law of contracts rises out of the four vital elements: Quality, Quantity, Terms, Delivery. In making this statement, T. N. Phelan, of the firm of Robinette, Godfrey & Phelan, urged the members of the Canadian Purchasing Agents' Association to exercise greater care in these particulars. He impressed upon them that to avoid loss and trouble they should recognize that the law demands certain specific acts and forms to make a contract legally enforceable. Mr. Phelan pointed out that:

1. A contract for the purchase or sale of goods, wares, or merchandise—over the value of $40—to be legal, must be made in writing, or evidenced by part payment or by part performance.
2. Three essentials are necessary to any contract—an offer—an acceptance—a consideration.
3. The offer must be communicated.
4. The acceptance must be delivered before the offer is withdrawn, it must be absolutely unqualified and identical with the terms of the offer.
5. The consideration must have real value.
6. The remedy for breach of such contract is to go immediately into the open market and buy or sell the material in dispute.

The "duration" of an offer is often a matter of doubt. Legally a "reasonable" time is allowed, but in the case of such offer having been made for acceptance within a stated time—say, ten days or one month—as is often done, it is interesting to know that an offer so made can be withdrawn at any time, provided that such revocation reaches the other party before the acceptance is legally made.

Suppose, for example, that an offer, in writing and in correct form, good for ten days, was made by Smith to Brown, and delivered per special messenger to Brown, or handed to Brown by Smith in Smith's office. The acceptance of such offer should, accordingly, be similarly made, either in person by Brown, or by Brown's messenger at the office of Smith. Ordinarily it might not matter, but should it happen that during the ten days in which the offer is open for acceptance Smith sends a revocation to Brown, it will not avail Brown to say, "O, I posted you an acceptance an hour ago," or "My messenger is on his way down there now with my acceptance." On account of the above method of making the offer, direct from Smith to Brown, the acceptance must be similar, and must actually be in the hands of Smith before the revocation is in the hands of Brown. This is a case which in various forms is often met, and a clear understanding of the facts and limits may be of vital importance.

To acknowledge receipt of an order or offer is not necessarily binding upon either party. Such offer must be formally accepted in writing, or by part payment, or part performance. In some cases, however, the receipt of goods, the use of them, and neglect to communicate with the shipper, become an acceptance. An offer made by letter through the post office should be accepted per post. This brings up the interesting fact that delivery of such letter of acceptance to the post office constitutes a binding contract with the party making the offer, whether such acceptance is actually received or not. The point herein is that, by sending an offer through the mails, the postal service becomes the agent for the party making such offer. An acceptance, therefore, delivered to that agent, is deemed to be delivered to the original party and is both legal and enforceable. Definite proof of such delivery to post office is of course required, and it is urged upon companies doing business in this way that a system be instituted which, in case of necessity, would make such proof possible.

Mr. Phelan sounded a caution against the evils arising out of business undertaken as a result of a protracted correspondence. It is rare that in such cases an actual contract can be proved. Invariably the final result of such correspondence should be summarized in a complete letter and the greatest thought and care exercised to see that all points such as price, terms, quantity and delivery are clearly stated.

Judged by the record of the courts, the law of contracts is but half understood by most business men. It would appear the part of good business that a more careful study of this law should be made by all who have to do with that most vital part of commercial life. The record of the past few months, when contracts were repeatedly evaded, is not to the credit of the business community either from a moral or a legal viewpoint. While conditions were doubtless such that no amount of legal form could have made some contracts operative, it is undoubted that success and freedom from annoyance will be enjoyed by those, who, in the keen competition that reviving commerce will develop, protect themselves by a knowledge and adherence to this law.

THE LUNENBURG FLEET

Legislation Proposed to Facilitate Incorporation of Vessels

From Our Own Correspondent.

HALIFAX—The Lunenburg fishing fleet, numbering more than 100 sail boats, is largely owned by groups of fishermen themselves and the shares are also in the hands of the frugal people of that county who have in recent years made substantial profits. The income last year was cut down and what it shall be at the end of the present season is a problem. J. J. Kinley, M.P.P., for Lunenburg, himself a large shareholder in fishing vessels, is sponsoring a bill in the house to facilitate the incorporation of vessels in the fishing industry. It is the application of the limited liability clause to the companies. The capital stock of any company formed under the provisions of the act shall not be less than $5,000. The power of the fishing interests, as exemplified in Lunenburg, is shown by the clause which provides that no fee for incorporation or annual registration shall be payable by any of these companies.

NEW RAILWAY FOR LAST NORTH-WEST

Would Extend for Fifty Miles From Grande Prairie to Interprovincial Border

From Our Own Correspondent.

EDMONTON.—An extension of the Edmonton, Dunvegan & British Columbia Railway to the border of the British Columbia block of the Peace River country, to be further extended into the Pouce Coupe district by the government of the coast province, is likely to be a matter of negotiation within the next year. It has already been discussed between Premier Stewart, of Alberta, and Premier Oliver, of British Columbia, the latter being particular desirous of giving railway service to the settlers in the north.

About fifty miles of road, building from the present terminus at Grande Prairie, would carry to the inter-provincial border, and the cost is estimated at $30,000 per mile. If satisfactory arrangements can be made for the operation of the extension by the Canadian Pacific Railway, which is now operating the E.D. & B.C. lines, the question of building the additional mileage will likely come up in both provinces at next year's sessions of legislature.

BELONGS TO THE PAST

Little Prospect for Completion of G.T.P. Hotel at Regina

From Our Own Correspondent.

REGINA.—As far as Regina citizens are concerned the $50,000 "skeleton" of what was to be a Grand Trunk Pacific Railway hotel will forever remain a "skeleton." The steel work of the hotel was erected before the war, but the outbreak of hostilities put a stop to construction and since that time the steel girders have remained but a remembrance of the "boom" days in Regina. Premier Martin and civic officials have conferred with the Board of Trade in an attempt to reach a solution of the problem, but no definite decision was reached. Approximately $50,000 worth of material was put into the work before construction was suspended.

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AUTOMOBILE MARKET

Studebaker Sales Show 157 Per Cent. Increase For First Four Months

That the buying of motor cars in Canada is on the upward trend is evidenced by the statement of the Studebaker Corporation of Canada, Ltd., who report that their sales for the first four months of this year show an increase of 157 per cent. over the corresponding period last year. They further report that their factories at Walkerville, Ontario, have been into full production since the first of April.

EXPORT TRADE TO SOUTH AMERICA NONE TOO ROSY

Sir Edmund Walker Tells Results of His Trip

MARKET IS SPOTTY

Social Conditions Opposed to Large Trade—High-Class Goods in Special Demand

The problem of export trade to the various South American republics is governed by the same rules that control all export trade or internal trade. Briefly these are: Manufacture a line of goods that are in demand, in the quality and style demanded and pack them and sell them and handle them according to the method demanded by foreign custom and to meet other competitors.

Returning from his tour of the Latin-American countries, Sir Edmund Walker reiterated the above thought to THE FINANCIAL POST and added that because of their peculiar temperament, the peoples of South America have fixed ideas and a highly cultivated taste in the matter of their purchases. Generally speaking, Sir Edmund does not view optimistically the possibilities of large trade with these nations in the near future, although they constitute one of the most hopeful parts of the world, capable of supporting an enormously larger population. Explaining the peculiar conditions affecting South American trade, Sir Edmund said, in part:

"We, in Canada, have hardly appreciated how greatly a national temperament can influence trade. In their dealings with the peoples of those southern republics, firms in the United States have suffered through neglecting to study the whims and fancies of their customers. As a result large quantities of American goods are lying in southern ports unaccepted or rejected. To avoid this, Canadian exporters must afford the necessary time and expense to study market conditions.

"At best the trade is limited. Due to local customs of land tenure and operation, there are no 'middle classes,' as we understand such. There is the upper or governing class and the lowest class existing almost in a state of serfdom. The former class is highly educated and cultured—they demand and will purchase nothing but the best. Their tastes are moulded on the standards of Paris, and the question of price is less a factor than is quality. The working classes are, as an average, much below the standard of the working class in this country, and, accordingly, their wants are simple and do not constitute a healthy buying power. On the other hand, being so preponderantly agricultural, the people have to depend on the outside world for practically all manufactured goods.

"Undoubtedly the greatest competition will be found to come from German firms. Unless Canadians can enter their market on a basis of equal quality and price, and unless they are willing to apply equal diligence in developing trade, little profit will result."

Dislocated Shipping

The present dislocated condition in shipping circles and the low rates which European ocean carriers are able to quote militates for the moment against Canadian exports. Merchandise from Europe, Sir Edmund says, is being landed in South American ports at lower rates than prevail from Canadian ports. This is doubtless only a temporary condition and will correct itself as world trade improves.

"Many think of the South American cities as inferior to those of Canada and the United States. But this is not at all the case. Many think of the people as inferior in intelligence and wealth. This is, also, a misconception. There is, of course, ignorance and poverty—perhaps more of it per capita than in Canada and the United States—but there is also a great deal of wealth and much of cultured society.

"Labor conditions are not by any means peaceful. I doubt if there is any country, other than Russia, where the principles of Bolshevism are so rife as in the Argentine. This is particularly so in the city of Buenos Ayres. Racially, however, the people are 'white' and, contrary to general opinion, have a small proportion of colored or native stock. For this reason the race problem is not at all so difficult as in the southern portion of the United States. It is quite hopeful, in fact, for though the working classes have been largely recruited from the degenerates of Europe, they are, nevertheless, more capable of regeneration than is the negro of the United States capable of high development. If practical trade results are to be developed in these countries, considerable pioneer work will have to be undertaken and great patience exercised."

DRILLING AT POUCE COUPE

Imperial Oil Co. Has Equipment on Ground

Latest advice from the scene of the Imperial Oil Co.'s activity at Pouce Coupe, says the Grande Prairie Board of Trade Gazette, is to the effect that all the apparatus and equipment necessary for the drilling of the first well has been transported to the company's holdings. The boiler arrived about the 15th. Drilling will be commenced in the latter part of May. One of the heaviest pieces of work preparatory to the actual commencement of drilling is the grading of a road from the plateau level down to the river bottom—a drop of 600 feet. John Taylor, of Pouce Coupe, has taken a contract for this work at a price of $7,000. The foundation for the first derrick was completed early in April and work is progressing rapidly in all branches. The company has shipped two White trucks north to be used in transporting supplies from Grande Prairie to the field.

WAGE CUTS IN THE LUMBER INDUSTRY

Men Are Also Employed on 10-Hour Day Schedule in New Brunswick

From Our Own Correspondent.

ST. JOHN.—Most of the lumber mills of New Brunswick are now working on a ten-hour day basis, instead of nine hours, and with revised wage scales representing reductions of 15 to 20 per cent. When the new conditions were put into effect quite a number of union men quit work, but in most cases the mill owners were able to carry on with non-union labor, and the strikes have apparently been broken.

LABOR IN THE WEST

Situation in Saskatchewan is Showing Improvement

From Our Own Correspondent.

REGINA.—The farm labor situation in Saskatchewan appears to be straightening out, judging from the reports of the various branches of the provincial Bureau of Labor. While there is still a substantial demand for men in the Swift Current and southern parts of the province, there seems to be a falling off in the northeastern sections of the province. Last week the bureau placed 798 men on farms. During the same period about 100 men came from Vancouver, Calgary, Port Arthur and Toronto for work.

BIG BILL HAYWOOD'S RUSSIAN EXCURSION

Will Probably Become Chief Press Agent for the Bolsheviki

William D. Haywood, secretary of the Industrial Workers of the World, has emigrated from the United States to Soviet Russia. In Russia he hopes to find a wider sphere of action; certainly a much wider one than would have been his had he remained in the United States, since he was under sentence for seditious activities in war-time and faced a twenty-year sentence in the Federal penitentiary at Leavenworth. He fled while out on bail.

There had been some tendency in labor circles to consider such bail-jumping cowardly, says the Independent. But Charles Edward Scott, speaking as secretary of the Pan-American Agency of the Communist Internationale, explains how from the Bolshevist point of view Haywood's conduct was quite ethical. "Comrade Haywood did not leave the United States of his own accord, but at the direct command of the Communist Internationale, of which he is a disciplined member and whose authority he recognizes as the highest in the world." It appears that the Moscow chieftains of revolution were so impressed by Haywood's successful organization work for the I. W. W. that they were determined that such a gem of purest ray serene should not waste its brilliance in the prison air. They therefore summoned him to Russia to serve "as a trusted adviser of the general staff of the world revolution." He went to Russia "openly and undisguised" (which, if true, points to some laxity on the part of the authorities) "and openly and undisguised he will return to America; but the time and manner of his coming will be determined by the requirements of the revolutionary class struggle, and not by the decrees of capitalist courts." Federal District Attorney Clyne states that Haywood will probably be put in charge of propaganda work in Germany and Scandinavia. American superiority in press-agenting and all forms of publicity work and advertising is recognized the world over, and it is but a deserved tribute to this American talent that the Russian Bolsheviki, though no mean propagandists themselves, should go to this country to gain the services of a director of propaganda.

Newly invented burglar-proof mail car put in service on New York Central between New York and Chicago. Nine sectional containers carry between 35,000 and 40,000 pounds of mail, and double locking system prevents entrance to car en route.

MARITIME FIRMS MEETING PROBLEM OF COST OF LIVING

Up-to-Date Hostelries to Accommodate Girl Workers

MINIMUM CHARGES

Lodging and Board at $3 to $5 Per Week—Technical Schools Provide Opportunities for Ambitious Employees

From Our Own Correspondent.

ST. JOHN.—Some New Brunswick companies which have acquired an enviable reputation for business enterprise and cordial relations with their employees, have recently undertaken to help their workers solve the high cost of living problem. T. S. Simms and Co. have opened a hostelry at Fairville across the river from this city, where about fifty of their girl employees are provided with lodging and board at $3.00 per week. The hostel has all modern sanitary arrangements and a large laundry in the basement, with set tubs served by 1,000 gallon boilers. The girl's bedrooms are bright and well finished and they have the use of cosy lounge rooms, pianos, and reading room well stocked with magazines. An attractive feature of the hostel is that windows command outlooks not surpassed in St. John, including views of the famous Reversing Falls and long stretches of the river.

Minimum Charges

The company has stated that with 47 permanent boarders the operating cost of the hostel, including the salaries of matron, cook, three maids, furnace-man and light and heat, works out at slightly less than $3.00 per week per girl. The company has not taken interest on investment and depreciation into consideration in fixing the charge to the girls, believing that they will benefit from the steady work and loyal service of the girls. In addition to cheap board and lodging the girls have the privilege of free medical service and nursing, which in the case of an epidemic of measles, for instance, is no small item for the company.

Technical Schools

The T. S. Simms was probably the first firm in N.B. to open technical schools for its employees. Not only does the company conduct courses in brush and broom making, but maintains classes in domestic science and dressmaking for the benefit of its girl employees. In this way they are doing something to avoid the reproach that girls engaged in factory work become unfitted to assume the responsibilities of wives and mothers.

This company has also given substantial encouragement to male employees desirous of building homes for themselves. Another feature of its welfare work consists of frequent entertainments, arranged jointly by the management and the employees.

Atlantic Underwear Too

A few days ago Atlantic Underwear Ltd., of Moncton, opened a girl's hostel—probably the finest in the Maritimes. The building which occupies a commanding view, is of brick, fire-proof construction, and the lighting and sanitation are modern to a degree. It contains cheerful and airy bedrooms, living and rest rooms, a library, ample bath rooms, a large well equipped laundry for the use of the girls, and a first aid and hospital ward. Recreation facilities are also provided. A large hall is available for dancing, and for summer amusement there are tennis courts and croquet lawns.

The company propose to provide food and lodging to its girl employees at cost and a guarantee is given that the rates will not exceed $5.00 a week.

Like the Simms Company, Atlantic Underwear, Ltd., has enjoyed considerable success as a business enterprise, and its hostel, which has the architectural appearance of a summer hotel, is a practical working out of its theory that only when employees are well provided for physically, mentally and socially are they likely to give the highest quality of workmanship.

ACCEPT WAGE CUTS

Employees on American Short Line Roads Affected

Wage reductions ranging from 20 to 25 per cent. have been accepted by more than 75 per cent. of the 400,000 employees on 820 short line railroads in the United States, representing 36,000 miles of road. Since the short line carriers were not taken over by the Government in the war period and were not direct parties to agreements on wages and working conditions entered into by the Railroad Administration, no labor dispute of the short lines has ever been decided by the Railway Labor Board.

To Investors

IF you wish to buy or sell Victory Loan or other bonds, we would remind you that our branches at Toronto, Montreal, Winnipeg and Vancouver have departments especially organized for this purpose.

Call at our nearest branch. Our Manager will be glad to arrange this for you. 637

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(S-11)
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Union Bank of Canada

DIVIDEND No. 137

Notice is hereby given that a dividend at the rate of 10 per cent. per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its branches, on and after Wednesday, the first day of June, 1921, to shareholders of record at the close of business on the 16th day of May next.

The Transfer Books will be closed from the 17th to the 31st day of May, both days inclusive.

By order of the Board.

H. B. SHAW,
General Manager.

Winnipeg, April 19, 1921.

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Finch, Pruyn Co. of Glens Falls, large manufacturers of newsprint have signed an agreement with employees continuing present wage scales and working conditions. Employees waived demands for increased wages. A strike had been threatened.

OLD-TIME FIGURES TO PROVE RAILWAY MEN UNDER-PAID

Unfair Methods of Comparison Employed by Men's Officials

AVERAGE $6.10 A DAY

Covering Nearly 2,000,000 Employees — Conductors $1 an Hour—Avoiding the Whole Truth—Accurate Statistics

From Our Own Correspondent.

MONTREAL.—A good deal of misinformation is being presented to the public regarding the present wages of railway employees. It has been a common practice to cite the rates per hour as a fair comparison, ignoring the overtime and other regulations that the railways have found to pile up overwhelming costs of operation.

The latest upholder of railway wages takes a new tack. L. L. Peltier, Canadian legislative representative of the Order of Railway Conductors, claims that the railway worker, so far from being overpaid, is, as a matter of fact, underpaid.

But Mr. Peltier cites wages for the year ending June 30, 1919, remarking: "These are not my figures. They are to be found . . . . They are open to everybody, but very few, indeed, appear to have so much as looked at them."

The 1918-1919 figures form pretty stale and obsolete and, hence, a thoroughly unreliable record in sizing up present day conditions. Mr. Peltier quotes the average pay of a passenger conductor in 1917 as $1,718, $1,924 in 1918 and $2,329 in 1919 (year ending June 30 — almost two years ago). The average rates of pay, per hour, he figures out as 58.9 cents in 1917, 55.3 in 1918 and 79.8 in 1919.

There are more recent figures, however, open to everybody; but, to quote the railway man against himself, Mr. Peltier does not "appear to have so much as looked at them." If he had, the "exaggerated ideas" he entertains with respect to the pay of railway workers "would long ago have disappeared." Statistics compiled by the Interstate Commerce Commission of the United States and the Bureau of Railway Economics cover up to the end of the year 1920, and include at least two additions to railway men's pay since the figures of Mr. Peltier were compiled: the McAdoo award in 1919 and the Chicago award of 1920. It may be assumed, and has been by both sides, that United States figures run parallel to Canadian, so that the basis of comparison is a similar one.

Big Pay for Conductors

Records for passenger conductors for 1920 show an average compensation of $3,130 a year, as compared with the $2,329 of 1918-1919, and $1,718 of 1917. The 1920 figures work out at about $1 an hour, compared with 59 cents in 1917 and 79 cents in 1918-1919. Is this an underpaid group—for the 1921 wages are equal to those of 1920?

Take the freight conductors. Mr. Peltier's statistics stop at an average wage of $2,245. The real 1920-1921 wage is $3,134, an average of about 95 cents an hour, an increase of 68 per cent., according to the same statistics, over 1917.

Average Wage Far Above $3

Mr. Peltier figures out the average wage of over 50 per cent. of the railway employees earned a bare $3 per day. And taking figures two years old this representative argues that railway men are underpaid to-day. Up-to-date figures are not so convincing. Mechanics' helpers and apprentices numbering 129,757 were paid $212,526,724 in 1920, or $1,638 each, an average of close to $5 a day. Section men numbering 255,526 were paid $310,585,913, or an average of $1,215, or $4 per day. Yard firemen and helpers numbering 23,821 were paid $51,471,521, or $2,161, representing practically $7 a day. Policemen and watchmen, $1,441, or $4.50 a day. "Other unskilled laborers," some 120,460, were paid $166,000,000, or $1,384 each, or $4.40 a day. A total of 1,732,876 employees were paid $1,739,482,142 in 1917, an average of $1,004 a year; but in 1920 a total of 1,993,524 employees were paid $3,808,386,405, or an average of $1,910 a year, or $6.10 a day.

These last figures "are open to everybody," but Mr. Peltier would not "appear to have so much as looked at them."

DOMINION TRUST DIVIDEND

Ten Per Cent. to Auditors of the Old Company

A dividend of ten per cent. on the admitted claims in the liquidation of the Dominion Trust Company Limited, amounting in the aggregate to $520,100, will be paid at the office of the liquidator, 1112 Standard Bank Building Vancouver, B.C., on and after Monday, May 23. Particular atten- is drawn to the fact that the dividend now being paid is in respect of the Dominion Trust Company Limited (the old company) and is payable only to creditors of that company whose claims have been allowed by the court.

In November last, the liquidator of the Dominion Trust Company (the new company) declared a dividend of 10 cents in the dollar to the creditors of that concern, whose claims allowed by the court amount, in the aggregate, to the sum of $2,620,522.65.

TUCKETT TOBACCO PROFITS ARE LOWER

Due to Cessation of Export Trade and Slump in Tobacco Prices

Profits of the Tuckett Tobacco Co. for the year ended March 31 last have slumped to $255,753 from $333,131 for the previous year, according to the annual report which has been mailed to shareholders this week. President Howard S. Ambrose points out in the report that this less favorable showing arises out of the cessation of the export business during the year, and the reduction in the price of manufactured tobacco during the latter part of the year. Out of profits the sum of $140,000 on preference and $100,000 on ordinary shares were paid. There remains at credit of profit and loss $620,931, compared with $605,177. Earnings on the common stock were 4.6 per cent. compared with 7.65 in the previous year, and 5 per cent. two years ago.

President Ambrose calls attention to the strong liquid position which has been maintained, and notes that the reduction in inventory has been offset by the reduction in bills and accounts payable. Capital assets, trade marks, goodwill, etc., remain almost unchanged at $3,023,693, but inventories have been reduced to $1,855,958, compared with $2,330,675. Bills and accounts receivable are materially lower at $339,007, against $544,705. Investments are higher at $69,623, compared with $45,853, and cash is several times larger at $240,921, against $76,637. Bills and accounts payable have been materially reduced at $318,273, compared with $863,298, so that the working capital position of the company shows little decline. Current assets are now $2,495,511, compared with $2,997,822 last year, and current liabilities are $378,273, against $923,298.

5,000,000 LBS. OF 'LANTIC

Big Consignment to British Isles as Part of New Contracts

From Our Own Correspondent.

MONTREAL.—A consignment of 5,000,000 lbs. of sugar from Atlantic Sugar Refineries, Limited, was part of the cargo of the S. S. "Canadian Sailor" from St. John, N.B., to British ports. This is the largest order of sugar handled by any Canadian vessel in the past couple of years, and is the first shipment of a number covering contracts made for the British markets by Atlantic Sugar Refineries.

MOTOR TRADE SLOWS UP

Detroit Manufacturers Face Future With Caution

Reports from Detroit indicate great uncertainty in the motor manufacturing world. Due to unsettlement through price reductions coupled with unseasonable weather in many states there is a general disposition to proceed with added caution in Michigan factories, says the Wall Street Journal. Cuts of working forces have been made in several plants and in others hours of production have been curtailed. Condition is likely to continue until other reductions are announced or until the market is stabilized by assurances of prices remaining at the present level.

BUSINESS SERVICE DIRECTORIES

A change in the capitalization of Business Service Directories, Limited, has been made by which the offering to the public has been changed from common stock at $10 a share to preferred at the same price. The total amount of preferred offered will be $200,000, or 20,000 shares ,and with this will go 50 per cent. of common stock. The balance of the $2,000,000 capitalization, or $1,800,000, will be common stock.

SIR WILLIAM PRICE ON THE WAGE WAR

Declares That Mills Will Remain Closed Until Men Accept Cut

From Our Own Correspondent.

MONTREAL.—The first report of the new company of Price Bros. & Co., Ltd., comprising the period of four months from November 1, 1920, to February 28, 1921, shows earnings of $1,135,450 compared with $2,055,782 for the preceding twelve months, or $283,862 per month as against $171,315 per month for the earlier period. After deducting $141,992 for interest and sinking fund there remained $993,458 available for dividends on the capital stock that now stands at $42,683,200, or 2.32 per cent. For the full year this would represent 6.9 per cent., but it must be remembered that the earnings in the two and a half months since then have not nearly equalled those given, while at the present time the company's mills are closed down, with a declaration emanating this week from Sir William Price, the president, that they will not reopen until the men accept the full reduction in wages set forth by the company.

It is also announced that owing to the present period of depression in the industry the new pulp and paper mills will not be erected until the prices of labor and materials became more stable.

The increase in capital stock from $8,534,200 to five times that amount, or $42,683,200, necessitated a sharp advance in the valuation of fixed assets, from $17,201,439 to $45,497,018, which covers timber limits as well as the mills and their equipment. The working capital account shows a slight decline, from $4,091,076 to $3,814,961. The items compare as follows:

WORKING CAPITAL

Current Assets	1921.	1920.
Cash	$1,310,654	$1,314,098
Receivables	1,133,288	1,181,065
Inventories	4,308,255	3,934,755
Advances	842,947	....
Victory Bonds	....	750,000
Total current	$7,595,144	$7,179,918

Current Liabilities	1921.	1920.
Bank loans	$1,308,000	$1,823,000
Payables	2,309,275	983,614
Interest	83,967	88,342
Accruals	78,941	23,342
Dividend due	....	170,684
Total current	$3,780,183	$3,088,842

BIG PROFIT IS MADE FROM SALE OF GAS

Medicine Hat Finds Its Natural Utility a Valuable Source of Revenue

The extent to which Medicine Hat's civic finances have benefited from the natural gas in the city is again indicated in the city's financial statement for the year ending December 31 last. After payment of all operating and fixed charges and making allowance for depreciation there was a profit for the year on the natural gas plant of $86,593.51. The revenue was $165,999, of which only $34,702 went for operating expenses.

The city has established a natural gas extinction reserve, and if the $40,000 that was last year added to this reserve be deducted from the net profits on the utility there is still a net surplus of $46,594.

The city's two chief problems are waterworks and schools. The waterworks plant last year lost $1,001.45 after fixed charges, etc., and there is a possibility that this year's results may be more unsatisfactory. Schools take over half the civic tax levy. The city's school accommodation is probably in advance of actual needs and the cost of providing education is very great.

Tax arrears are very heavy, amounting to $836,494 at December 31, 1920, or more than double the total of sinking surplus, gas extinction reserve, land appreciation, etc.

On the whole, however, Medicine Hat has avoided the financial difficulties of some of its neighbors and with a resumption of industrial activity should progress steadily.

AMEND CORPORATION TAX ACT

Legislature of Manitoba Passed Current Estimates

An amendment of the Corporation Taxation Act, providing for a levying of a 2 per cent. tax on the net profits of any business for the last business year ending within six months before or after December 31, 1920, was passed by the Committee on Law Amendments of Manitoba. Professions are not included in the amendment, although a fight was put up by a number of the members to have them included.

UNLISTED SECURITIES

Alta., Pac. Grain, com.	124	140
Do., pref.	75	83
Brand-Henderson, pref.	89	93½
British Amer. Assur.	7	10½
Can. Mach., pref.	..	52
Can. Oil. com.	63	69
Can. Westinghouse	104	107
Can. Woollen, pref.	60	70
Cockshutt Plow, 7%, pfd.	52	57½
Cuban Can. Sugar, pref.	15	18
Dom. Power, com.	26	..
Do., pref.	88	91
Dunlop Tire, pfd.	86	92
Eastern Theatres, Com.	12	14¾
Goodyear Tire, 7%, pfd.	47	51
Home Bank	98	100
Imperial Oil	105	110
King Edward Hotel, com.	64	69
Manufacturers' Life	170	200
Murray-Kay, pfd.	59	64
Massey Harris	..	95
National Life	145	..
North Amer. Pulp	3½	4
North Star Oil	..	4⅞
Riordon, c (new stock)	3½	4½
Do., pref. (new stock)	24	26
Robert Simpson, pfd.	77	82
South. Can. Power, pfd.	..	75½
Sterling Bank	105	112½
Sterling Coal, com.	22	..
Trust & Guarantee	68	74
Dom. Foundries, com.	38	42
Do., pfd.	..	82
British Amer. Oil	30½	32
Dominion Fire	45	..
Provinciale Bank	122	124½
Loew's London	3½	5¼
Crocker-Wheeler, pfd.	69	..
Peoples Loan & Sav.	..	79
Famous Players, pfd.	..	80
Loew's Buffalo, com.	..	4½

UNLISTED BONDS

P. Burns, 1st Mort., 6s	93½	99
Can. Machinery, 6s	73	82
Collingwood Ship, 6s	90	..
Harris Abattoir, 6s	89	95
Wm. Davies, 6s	95	99
N. S. Steel, dbs., 6s	..	80
Mex. Nor. Power, 5s	8	12
John Morrow Screw, 6s	83	90
Ontario Pulp, 6s	85	90
Toronto Power, 1924, 5s	88	92½
King Edward Hotel, 7s	74	80
Dom. Iron & Stl., 5s (1939)	62	67½
Gordon Ironsides, 6s	..	53
Neilson, Wm., 6s	86	91
Inter. Milling, 6s	88	..

RAILROAD EARNINGS

Earnings of the Canadian Pacific Railway for the second week of May amounting to $2,954,000 showed a decrease of $622,000 or 17.1 per cent. from the figures for the corresponding period in 1920.

Returns of the Grand Trunk Railway for the month of March, show an increase in net of £68,400 over the same month in 1920. The net for the month amounted to £122,000. Gross receipts at £1,278,700 showed an increase of £95,900. For the first three months of the year net showed an increase of £306,500.

Earnings of the Canadian National for the second week of May totalled $1,909,558, a decrease of $164,005 or 7.9 per cent.

The Future of Public Utilities

THE new census will reveal, we believe, a large increase in our urban areas. This is the reason for the great increase in the number of passengers carried by electric cars and the growing demand for light.

The use of electric power in factory operations is increasing by leaps and bounds. Further, there is a remarkable development in the sale of labor-saving devices for household use, such as electric washers, irons, etc.

More and more our whole system of society is becoming dependent upon electric energy, all of which is being reflected in the earnings of our Public Utilities, which in most cases have been adjusted to a profitable basis, and face the future with strong credit and largely increased property values.

Before the war the securities of such companies yielded 5% to 6%. Today the same class of Securities can be purchased at prices to yield 7% to 9%.

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76

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The Bank is always in direct and constant touch with the investment markets and is well equipped to secure sound and attractive securities or to place any bonds you may wish to dispose of.

At any branch of the Standard you can obtain accommodation or advice relative to investments.
380

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MINING CIRCLES SEE GOOD THINGS FOR THE SILVERS

Several of the Northern Companies Showing Signs of Life

BOSTON CREEK STRIKE

Rich Find Reported on the Walsh Claims—Kirkland Lake Gold Mill Being Steadily Speeded Up

From Our Own Correspondent.

COBALT.—While the wish may be the father of the thought there is a good deal of talk in mining circles of an improvement in the silvers. Several of the companies are showing signs of life of late, and it is to be noted that silver quotations are averaging about five cents higher this month over March figures. Two excellent silver finds of late have also served to buoy up the prognosticators. One of these was on the Keeley in South Lorraine and the other on the O'Brien in Cobalt.

Excellent high grade was found on the 360-foot level of the Keeley in South Lorraine. The find is described as the real old Wetlauffer silver, which mine is adjacent. The Keeley was closed down for some time, and since reopening, a few weeks ago, the three machines have been concentrated on this large vein, the average values of which were given at 25 to 90 ounces. The Keeley mine, it will be recalled, figured prominently in the Farmers Bank case.

The Find on O'Brien

No official anouncement has been forthcoming in regard to the find on the O'Brien, but it is said to be an 18-inch, high-grade vein, a totally new find. The Coniagas is increasing its tonnage and by now is handling about 600 tons daily, part rock and part slimes and old sands.

There is a reported movement to reopen the Casey Mountain. It is understood that a syndicate is being formed with a view of providing the necessary funds to carry on exploration and development. The indications are that the Mining Corporation, with its increased milling capacity, will soon get operations going again. Already a small gang has been started on the Buffalo. The Genesee, which before the power shortage was engaged in exploring claims along the T. & N. O. right-of-way, next to the Chambers-Ferland, is planning to continue its search.

Nipissing Production

The Nipissing report for the past month shows that the recent average production is being maintained, totalling $142,610. During the month part of the underground work was delayed, owing to the destruction of a shaft by fire.

The McIntyre is making plans for an immediate increase in its milling capacity. By fall it is expected that the output, now 600 tons, will be increased to 800 tons and by the first of the year to 1,000 tons.

There are reports that the Dome Lake-West Dome amalgamation is proceeding well and may be consummated within a few weeks. A gang of men have been started to work on the Three Nations claims of the Allied Porcupine. The Thesurus company is taking a plant into its property in the Fort Matachewan area and operations will start shortly. This company sent in a plant last year but the forest fires consumed it before it reached the mine.

The Moneta company has a chance to place quite a block of its stock, according to a statement made recently at the annual meeting. If the deal goes through, it is believed that operations would be soon resumed on this promising Porcupine property.

Strike at Boston Creek

A rich strike is reported to have been made on the Walsh claims in the Boston Creek area. Samples brought out contain spectacular showings of coarse gold. The find was made on property in Catherine township, and the formation is basalt and porphyry, with narrow belts of schist. Two veins are being worked on. One is 10 and the other 12 feet wide. The former lies between a contact of the basalt and porphyry and is quartz and schist and heavily mineralized. The other is in quartz in the basalt formation. Both veins look most encouraging.

The Kirkland Lake Gold mill is being steadily speeded up and in the meantime the encouraging report is sent out that the ore shoots below 700 feet are being found to extend materially beyond the limits of the 400 level. The mill is now approaching the 150-ton mark daily but may not average this until late in the summer.

GRANBY'S BIG DEFICIT

Operations Are Being Conducted on Restricted Scale

Annual report of Granby Consolidated Mining, Smelting & Power Co. for the year ended December 31, 1920, shows deficit, after taxes and charges, of $687,011. The previous annual report covered the year ended June 30, 1919, and showed a deficit of $984,409.

The report says 1920 operations were confined to the mine, smelter and coke ovens at Anyox and the colliery on Vancouver Island. Capital expenditures were limited to actual necessities. Reductions and economies were effected in every possible direction and through increased efficiency production costs during the last half of the year were materially reduced.

"These economies have not been sufficient, however, to offset the further decline in copper prices since the first of the year," the report adds, "and your management has been confronted with the serious alternative already adopted by other companies, the majority of which have entirely ceased production."

WINNIPEG RAILWAY

The Manitoba Court of Appeal has granted the City of Winnipeg permission to carry to the Imperial Privy Council its protest against the legality of the order of the Manitoba Public Utilities Commission authorizing increased fares on the lines of the Winnipeg Electric Street Railway.

DULUTH-SUPERIOR

For the first week of May earnings of the Duluth-Superior Traction Company amounted to $33,722 as compared with $36,368 for the corresponding period in 1920, a decrease of $2,645 or 7.3 per cent.

CONSOLIDATED SMELTERS

Ore receipts at Trail Smelter, reported by the Consolidated Mining and Smelting Company, for the first week of May totalled 9,583 tons, while from January 1, to May 7, the receipts were 149,712 tons.

MATTAGAMI MAKES GOOD SHOWING IN INITIAL REPORT

Net Profits of First Seven Months of Operation Total $1,091,779

One of the more recently organized Canadian pulp and paper companies, the Mattagami Pulp & Paper Co., made public its first financial statement this week. The report, which reviews the operations of the company for the seven-month period ending December 31 last, indicates that the company's initial experience has on the whole been very satisfactory. Net profits for this period amounted to $1,091,779. From this amount is deducted interest on bonds, debentures and bank loans to a total of $187,423, and in addition the sum of $369,934 on behalf of depreciation and other reserves, leaving net earnings at $534,421. From this surplus a further deduction has been made amounting to $346,352, on behalf of losses arising from the operation of the plant during its construction period, and for depreciation of inventories, etc. A balance of $188,068 has been carried forward to profit and loss account.

During the greater part of the period reviewed by the report the company had practically escaped all ill-effects of the depression which was developing in many lines of trade. The company has since, however, suffered a curtailment of orders to such an extent that it has been found necessary to close down the plant. The situation is outlined by President Duncan Chisholm as follows:

In December the demand for your company's products showed considerable falling off, and a dullness has prevailed during recent months in the market for all grades of pulp. This market condition, your directors believe is only temporary, but as your directors are of the opinion that it is not advisable to store large quantities of pulp for which there is no market immediately available, the operation of the plant has been suspended till the market revives. The period of suspension has been taken advantage of to make certain repairs and adjustments, the plant is now ready to operate at high efficiency immediately on there being a demand for pulp.

It is pointed out in the report that owing to the necessity of carrying on construction during the year, and the handicap of high labor and material costs, the company was unable to participate fully in the profitable markets prevailing during the summer months. The profits have, however, been of sufficient volume to enable the directors to place the company in a most efficient operating condition, with inventories, logging operations, etc., written into the balance sheet at most conservative figures.

The balance sheet shows assets amounting to $9,706,247. Plant and equipment, timber limits, etc., are valued at $7,658,844, and current assets at $853,383. Current liabilities total $1,484,306, and the sum is made up of $752,902 due to banks, $664,068 in bills and accounts payable and $58,306 in accrued interest and other charges.

The following table shows the disposition of earnings for the period under review:

Net profits for trading	$1,091,779
Interest	187,423
Depreciation	369,934
Balance debit at May 31, 1920	346,352
Balance at Dec. 31, 1920	$ 188,068

A deal involving about half a million dollars is now being negotiated between the Canadian Robert Dollar Co. and the receiver for the Burrard Sawmills for the purchase of 250,000,000 feet of timber at Deep Bay, near Union Bay, Vancouver Island. The Dollar Co. intends to engage heavily in the Chinese lumber trade this year.

ACTIVITY

Expected in Gold Stocks Shortly

Assured markets through world-wide demand for gold, reduced labor and operating costs, ample power supply, are some of the factors now helping to make this industry exceedingly profitable. Thoughtful investors are buying. It will pay you to get in touch with us.

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STOCK MOVEMENTS OF THE WEEK

Week ending May 17.

Banks—	Close Ask	Bid	High	Low	Close	Sales
Commerce	190	187	190	187	190	72
Dominion	197	195	197	196	196½	21
Hamilton	183	182	184	182	183	57
Hochelaga	...	152½	155	152½	152½	38
Imperial	185	184	185	184⅞	184⅞	36
Merchants	...	172	175	173½	174	140
Molsons	178	175	176	176	176	2
Montreal	...	203	207	205	207	46
Nationale	180	177	177¼	177¼	177¼	1
Nova Scotia	...	254	254½	253½	254	49
Royal	...	203	205	202	205	76
Standard	201	200	200½	200	200	104
Toronto	178	...	180	178	178	125
Union	152½	150½	154	153	153	82
Industrials, Utilities, etc.—						
Abitibi Power & Paper, com.	37½	37	37½	36	37⅜	1673
Do., pref.	88	...	87¼	87	87	25
Ames Holden, com.	...	13	21	21	21	20
Amer. Salesbook, com.	6½	5	7	7	7	6
Do., pref.	75	72¼	74¼	74¼	74¼	21
Asbestos Corp., com.	60½	59	63	60½	60½	151
Do., pref.	...	82	83	82	82½	50
Atlantic Sugar, com.	32¼	31½	32	30½	31½	1921
Bell Telephone	105½	104½	106½	104⅛	104½	840
B.C. Fishing	40	38	39½	38	39½	73
Brazilian Traction, com.	30½	30¼	30¾	29⅞	30;	2780
Burt, F. N., com.	105½	105	105	103	105	327
Do., pref.	...	104½	104	103	104	7
Brompton Paper	36¾	36⅝	37½	35	37½	6965
Canada Bread, com.	23	22½	24½	23	23	662
Can. Car & Fdry., com.	31	...	30	30	30	10
Do., pref.	58	...	58½	57	57	75
Canada Cement, com.	53½	53	53½	51¾	53½	755
Do., pref.	89	...	89	89	89	61
Can. Converters	...	61	65	63	63	29
Can. Cottons, com.	72	70	70	70	70	145
Do., pref.	...	...	76	76	76	10
Can. Gen. Electric, com.	110	109½	110½	108½	110½	174
Do., pref.	...	99	100	99	100	14
Can. Pac. Rly.	129	128	130	128¼	128½	78
Can. Steamships, com.	27	26	26¾	25	26¼	1150
Do., pref.	58	57½	58¾	52½	56¼	3439
Consumers' Gas	138	136	138¾	137	137	84
Crow's Nest Coal	55	50	50	50	50	71
Detroit United Rly.	84	82	84½	82	84	551
Dominion Bridge	79	75	83½	77	77	310
Dom. Canners, com.	24½	23	25	24¾	24¾	100
Do., pref.	78	...	77	77	77	25
Dom. Coal, pref.	...	...	77	77	77	1
Dom. Glass, com.	58	56	57	56	56	65
Do., pref.	...	...	82	81	82	156
Dom. Iron, pref.	68	...	66¼	66	66¼	50
Dom. Steel Corp.	37	36⅝	38	36	37	1322
Dom. Textile, com.	128	127¾	130	125	130	666
Do., pref.	...	100	100	100	100	3
Duluth-Superior	24½	21¾	26	24	24¼	215
Goodwins, pref.	...	...	68¼	68¼	68¼	10
Howard Smith Paper, com.	82	80	91	82	91	350
Do., pref.	79	...	80	79	80	110
Illinois Traction, pref.	69¾	68	70½	69¾	69¾	72
Lake of the Woods, com.	140	...	140	138	138	8
Laurentide Paper	93	92⅝	93	91¾	93	3167
Lyall Construction	70	69¾	71	61	71	772
Macdonald, A., com.	...	18½	18½	18½	18½	35
Mackay, com.	74½	74	75	74	74½	159
Do., pref.	62	61	62	61	62	26
Maple Leaf Mill, com.	131	130	134½	130	130	141
Do., pref.	96	95	96	96	96	5
Montreal Cottons, com.	...	76	80	78	80	80
Do., pref.	...	96½	96½	96⅛	96½	20
Mont. L., H. & Power	85½	85	85⅛	84¾	85	917
Mont. Telegraph	...	43	44	44	44	15
National Breweries, com.	55	54⅞	57⅛	49⅛	56⅞	36688
N.S. Steel & Coal, com.	39	37½	37½	37½	37½	60
Ogilvie Milling, pref.	...	100	104	102	104	11
Ont. Steel Products, com.	...	...	60	60	60	25
Penmans Ltd., com.	100	...	96	96	96	30
Do., pref.	...	80	85	85	85	35
Porto Rico Rlys., com.	...	44	45	45	45	25
Do., pref.	...	78	79	75½	79	22
Price Bros.	36¾	36½	37	36	36¾	570
Que. Rly., L., H.	27½	27	27½	26	27½	1590
Riordon Paper, com.	24¼	23½	25	22¾	24	2128
Do., pref.	36	32	34½	30	30	26
Shawinigan W. & P.	109	108	108½	108	108	431
Sherwin Williams, com.	...	83	85	85	85	20
Do., pref.	...	...	90	90	90	10
Spanish River Pulp, com.	...	72	75⅛	73	73	429
Do., pref.	...	78	81¼	79½	79½	245
Steel of Canada, com.	59½	58¾	60	58	60	554
Do., pref.	90½	90	90½	90	90½	91
St. Maurice Paper	100	...	99	99	99	55
Toronto Railway	72	71½	72	70½	71½	387
Tuckett Tobacco, pref.	45	...	42¼	40	40	130
Twin City, com.	52	51	52	51	52	100
Wabasso Cotton	...	42½	43	42½	42½	244
Wayagamack	70	69	71	68	68	400
Winnipeg Rly.	40¼	39¾	41	39¾	40	555

Canadian Cottons, Limited

ELEVENTH ANNUAL REPORT

For Year Ending 31st March, 1921

To the Shareholders:—

Your Directors regret their inability to present as favorable an Annual Report for the year ending 31st March, 1921, as was anticipated when they met the Shareholders in May, 1920.

The first half of the year was favorable, but during the last six months your Company was materially affected by the severe and wide depression which existed in your business, on account of the lack in demand for merchandise, cancellation of orders and the depreciation of inventories to market values, in some cases the value of cotton goods such as your Mills produce fell over fifty per cent.

In following the usual custom of protecting unfilled customers' orders exceedingly large losses were incurred.

Notwithstanding the adverse conditions above enumerated, your Directors believe that the statements submitted will be considered satisfactory.

The Net Manufacturing Profits, Rentals and Interest on Investments amount to $867,805.58, after making provision for Government Taxes.

There has been added to Capital Account during the year, in the way of extensions to plant and machinery, the sum of $1,660,923.34.

This expenditure was incurred in making additions to the various mills and in renewing and increasing the capacity of your water-powers and steam plants, which will result in enlarged output, greater efficiency and reduced costs in the future.

The statement shows a balance of $1,276,055.64 of current assets over current liabilities, and in addition there is held $1,525,000.00 of six per cent. Bonds of the Dominion Textile Company, being the unused portion of the proceeds of the sale of the Mount Royal Mill.

It is difficult at the moment to anticipate the results for the coming year. Stocks of goods are exceptionally low in both the hands of the Wholesaler and Retailer, and inventories of all descriptions have been marked down to current prices, so that your Company is in a position to quickly profit by any improvement in the situation.

Your Directors take this opportunity of expressing their full appreciation of the faithful services of the staff and employees during a very trying period.

The Books and Accounts of the Company have been duly audited and the Auditor's report is submitted herewith.

Respectfully submitted,
CHARLES R. HOSMER, President.

MANUFACTURING ACCOUNT

To Raw Material, Manufacturing Cost, Marketing of Products, Administration, Repairs, Replacements, Maintenance, etc., and War Taxes to date	$10,817,112.02
To Balance—	
Net Profits to Profit and Loss Account	679,468.93
	$11,496,580.95
By Sales	$11,231,102.51
Add inventory of Cloth and Cotton in process of Manufacture, 31st March 1921	472,728.00
	$12,203,830.51
Less inventory of Cloth and Process on hand 31st March, 1920	707,249.56
	$11,496,580.95

PROFIT AND LOSS ACCOUNT

To Bond Interest on net amount outstanding and exchange on Coupons	$188,607.00	
Four Dividends of 1½% each on Preferred Shares	219,690.00	
Four Dividends of 2% each on Common Shares	217,240.00	
		$625,537.00
Bad Debts		5,673.66
Depreciation on Plant		200,000.00
Balance Forward		36,594.92
		$867,805.58
By Net Manufacturing Profits		$679,468.93
By Interest on Investments		188,336.65
		$867,805.58

ASSETS

Cash		$ 24,516.84	
Book Debts, net cash basis, Bills Receivable and Sundry Open Accounts		1,697,798.35	
Inventory of—			
Cloth	$760,279.86		
Process and Yarns	214,904.98		
Raw Cotton	391,787.76		
Supplies	182,477.51		
Insurance unearned	97,670.00		
		1,647,120.11	
Dominion War Loan Bonds		135,000.00	
Total Current Assets			$ 3,504,435.30
Bonds, in Treasury and for Sinking Fund			1,111,624.73
Stocks in other Companies			306,084.26
Proceeds of properties sold			1,525,000.00
PROPERTIES—			
Mills, Properties, Plants, Waterpowers, etc.			10,083,414.39
			$16,530,558.68

LIABILITIES

Bank Advances	$1,067,895.01	
Open Accounts, including Estimated Tax Reserve	983,668.78	
Bond Interest accrued and Dividends payable April 4th	145,712.50	
Bills payable	31,103.37	
Total Current Liability		$ 2,228,379.66
BONDS	$5,000,000.00	
Less Redeemed	494,895.00	
		4,505,105.00
CAPITAL—		
Preferred Authorized— $4,500,000.00 Issued		3,661,500.00
Common Authorized— $3,500,000.00 Issued		2,715,500.00
Reserve for Bad Debts		100,000.00
Reserve for Special Replacements		600,000.00
SURPLUS—		
Balance at Credit of Profit and Loss, 31st March, 1920	$2,683,479.10	
Balance of Profits to 31st March, 1921	36,594.92	
		2,720,074.02
		$16,530,558.68

INDIRECT LIABILITIES—
Customers' paper under discount, $370,388.69.

C. R. HOSMER,
A. O. DAWSON
Directors.
A. BRUCE, Secretary-Treasurer.

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Mills at
Goderich, Brandon
Winnipeg, Edmonton
Calgary, Victoria

Daily Capacity—Flour, 10,000 barrels Rolled Oats, 1,000 barrels

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THREE RIVERS, P.Q.

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More Tobacco for the Money

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Cut Brier
SMOKING TOBACCO
MACDONALD'S Cut Brier

CANADIAN COTTONS IN FINE SHAPE FOR FUTURE BUSINESS

Capacity of 25 Per Cent. Over That of Five Years Ago

NEW HOSIERY MILL

At Hamilton—Trade Buying Hand-to-Mouth—Won Goodwill of Customers—Details of Annual Statement

From Our Own Correspondent.

MONTREAL. — Another of those refreshingly frank statements, although comparatively rare as yet, was made to the shareholders of Canadian Cottons, Limited, at the annual meeting on Monday of this week by the vice-president and managing director, A. O. Dawson. This was in answer to a query as to the prospects of the company for business this year. Mr. Dawson's reply was that he was sorry that he could not speak with any great confidence as to the immediate future. Conditions were a little better than three months ago, but the trade was buying from "hand to month," in small quantities. The frequency of the orders, however, led to the impression that stocks in dealers' hands were pretty well depleted.

As for outside competition Mr. Dawson stated that there were few American goods coming in as no one was willing to risk speculating on prices. They preferred to buy small quantities with quick deliveries from Canadian mills. Probably not five per cent. of Canadian Cottons' business had been taken by American mills, and of European competition there was none.

New Hosiery Mill At Hamilton

While the managing director did not hold out much promise for an immediate return to good business his report in reference to the mills of the company was a very encouraging one for the shareholders. The plants, he declared, were in a position of which the shareholders would be proud. At Hamilton a new mill for hosiery yarns was being constructed, and as that city was in the center of the knit goods district good business was looked for. A new power plant and office had also been constructed.

At Cornwall the three power plants had been consolidated with the consent of the Government, which would effect a saving and increase the efficiency of the three mills. The blanket mill there had been running full, strange to say, and was being extended.

At Milltown, N.B., an addition of 400 looms had been made to the gingham plant, which he now considered the best in America, and there was a demand for all the plant could make. At Marysville a new steam plant had been installed and the plant electrified, with a saving of coal.

As compared with five years ago, the spindleage of the company had been increased 25 per cent. and when the demand came the company ought to be able to increase the output 25 per cent. with the same capitalization.

Wages Up 157 Per cent.; Down 12½ Per Cent.

Dealing with the labor situation, Mr. Dawson stated that since the beginning of the war wages had reached a high point of 157 per cent. increase, or 257 per cent. as compared with 100 per cent. of pre-war days. There had been a reduction in working hours from 55 to 50 per week, and a cut in wages of 12½ per cent. "We cannot ask our employees to accept any further cut until we are able to offer them full time," the manager added, "for with three or four days only a week they would not be earning enough."

An explanation was provided by the manager as to the heavy losses the company had taken in its inventories, with a resulting decrease in profits. They had protected all the orders on their books; merchandise had been accepted back in many cases, and some customers had been kept in business. Mr. Dawson considered, however, that the company had carried the friendship of the trade as perhaps no other textile company had, and this was a very valuable asset.

Operating Results

Further details of the annual report than those published last week show that there was earned on the common stock 9.55 per cent. as compared with 35.7 per cent. one year ago and 27 per cent. two years ago. The net working capital amounts to $1,276,056, a decline of about $900,000 from that of one year ago. This does not credit the past year with bonds of $1,525,000 given by the Dominion Textile Company in part payment for the Mount Royal mill. The various items in the profit and loss accounts for the past three years, and the working capital statement for the past two years appear below:

Profit and Loss Account

	1921.	1920.	1919.
Net sales	$11,496,580	$11,290,116	$10,656,301
Exps.	10,817,112	9,709,071	9,291,197
Ap. income	$ 679,468	$ 1,581,045	$ 1,365,104
Rentals	* 188,336	257,398	198,000
Total income	$ 867,804	$ 1,838,443	$ 1,563,104
Depreciation	200,000	400,000	400,000
Pref. div.	219,690	219,690	219,690
Bond int.	188,607	177,660	209,700
Net profits	$ 259,507	$ 1,041,093	$ 162,930
Com. div.	217,240	176,507	162,930
Surplus	$ 42,267	$ 864,586	$ 570,784
Prev. surp.	2,683,479	2,228,893	1,873,109
Total	$ 2,725,746	$ 3,093,479	$ 2,443,893
Reserves	5,673	410,000	215,000
P. and L. Bal.	$ 2,720,073	$ 2,683,479	$ 2,228,893

*For 1921 income from bonds.

Working Capital Account

	1920.	1919.
Current Assets		
Cash	$ 24,516	$ 281,180
Accounts Rec.	1,697,798	1,468,003
Inventories	1,647,120	2,127,412
Bonds	135,000	933,511
	$3,504,434	$4,810,106
Current Liabilities—		
Bank loans	$1,067,895	$1,358,217
Accounts payable	983,668	988,073
Accrued charges	145,712	138,923
Bills payable	31,103	142,414
	$2,228,378	$2,627,627
Bal. work. cap.	$1,276,056	$2,282,479

ALL SHAREHOLDERS MUST BE REGISTERED

New Legislation Affecting Companies Operating in Nova Scotia

From Our Own Correspondent.

HALIFAX.—An act is before the Nova Scotia Legislature entitled "an Act respecting the head office of Nova Scotia companies and to provide for the registering and transferring of shares, bonds, stocks and other securities issued by such companies." It is made to apply to all companies previously incorporated at Halifax as well as all those that shall be in the future. It is provided that every company shall have its head or principal office in Nova Scotia and nowhere else. Books shall be kept, showing a register of shareholders. All business information regarding these shareholders shall be recorded in the book called the Principal Register of Shareholders.

Any other register of shareholders of the company or any other register of holders of other securities of the company shall be a subsidiary and subordinate register kept for convenience only and no entry therein shall be valid or effectual until the entry is also made in the Principal Register of Shareholders or in the Principal Register of Bondholders as the case requires. This will help to simplify the question of succession dues which sometimes has been found to be involved.

BOND ISSUE PROPOSED FOR ACADIA SUGAR

Directors Say Funds Are Imperatively Required for Hypothecation Purposes

From Our Own Correspondent.

HALIFAX—An extraordinary general meeting of the shareholders of the Acadia Sugar Refining Company has been called for Halifax on May 29th to consider a proposed issue of second mortgage bonds. The directors in a note accompanying the formal notice say that after careful consideration they have come to the conclusion that it is imperatively required for hypothecation purposes. The clause proposed to give effect to the issue is as follows:

"That the company do issue ten-year second mortgage seven per cent. bonds of the total par value of two million dollars to be secured by a trust deed or second mortgage on the whole or such part of the company's property as the directors may determine. Such trust deed to be in such form and to be made to such trustee as the directors may determine and such bonds to be of such denomination or denominations and to be sold or otherwise dealt with as the directors may determine."

The notice goes on to state that should this resolution or any resolution be passed by a majority of three-quarters of the shareholders present in person or by proxy a further meeting will be held on June 11th for the purpose of ratifying and confirming it. The explanation is made that this is proposed to enable the company to take advantage of its present favorable position.

OIL FIELDS OF THE NORTH

Interesting Booklet Issued by Union Bank in New York

In an effort to provide in concise form authentic information regarding the oil fields of Northwestern Canada, particularly those located in the Mackenzie District, the Union Bank of Canada, 49 Wall Street, New York City, has issued a booklet entitled "Canada's Northern Oilfields."

The booklet contains an oil map of Western Canada showing the location of drilling operations past and present, information as to how to reach the Mackenzie District, and a survey of the economic implications of the discovery of the new oil fields.

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Foreign Investment

Canadian investors would do well to study the opportunities now available in Foreign Government and Municipal bonds.

Now that the Reparation question has been accepted by the German Government, we anticipate further activity and increased prices.

The market already shows an upward move and investors would do well to give immediate consideration.

DO NOT DELAY!

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Have you? If not, you should make one at once, and you should appoint The Union Trust Company as executor, so that your wishes will be carried out faithfully and without bias or legal complications.

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$5,725,000 ISSUE BELL TELEPHONE CO. OF CAPITAL STOCK

To Provide for Extensions Of Services and New Exchanges

5,000 IN MONTREAL

3,000 Calling for New Phones in Toronto—Several New Exchanges—No "Hard Times" With Bell Co.

From Our Own Correspondent.

MONTREAL.—Following upon the increase in the rates to such a point as to guarantee the dividend of 8 per cent. and a surplus besides through the Dominion Railway Board, the Bell Telephone Company is making a new issue of capital stock amounting to $5,725,000. This will increase the outstanding stock to from $22,900,000 to $28,625,000. The new stock is offered to shareholders of record May 31 at par in the proportion of one share for every four held. Payment in full for the stock may be made on June 30, 1921, after which time the regular dividend of 8 per cent. will be paid, or $50 per share may be made on June 30, $25 on Sept. 30, and $25 on Dec. 31. Interest at the rate of 8 per cent. will be allowed on the portion paid for, dividends commencing on Jan. 1, 1922.

The new stock issue is to provide money for very urgent extensions all over the company's system. In the city of Montreal alone there are thousands of applications for service that have had to be delayed. In every case, almost, where phones have been changed as a result of the first of May moving the subscriber has had to be content with a party line, giving two subscribers in place of one with practically the same wire equipment. For the greater part of last year the company desisted from making extensions owing to the fact that it was running behind until the increased rates were ordered and brought into effect.

The last increase of Bell stock was made two years ago when the amount was increased from $18,000,000 to $22,500,000. The remaining $400,000, bringing the total to $22,900,000, was due to this amount having been placed in the hands of trustees for subscription by the employees of the company. Financing last year was carried out by a bond issue at 7 per cent. The other outstanding bonds of the company bear 5 per cent. interest.

Extending Services

Speaking to THE FINANCIAL POST, the president, L. B. McFarlane, stated that the proceeds of the new issue would be expended in providing for the needs of a large number of subscribers all over the company's territory. For instance, in Montreal alone some 5,000 had applied for phones; in Toronto over 3,000 were still unsupplied; in Windsor, taking in the three "Border Cities," there were 600 waiting for instruments, and so on. Then a large number of new exchange buildings were needed, and would be constructed. A new downtown exchange for Montreal, another as an adjunct of the Adelaide exchange in Toronto; Walkerville required one; another was needed in Quebec City, where the land had already been purchased.

"We are still prospering," added the president. "You cannot say there are any 'hard times' with us."

PRODUCERS TERMINAL CO.

Taking Over Canadian Packing Co. at London Junction

From Our Own Correspondent.

LONDON.—As stated in a previous issue of FINANCIAL POST a company has been organized here to take over the packing plant of the Canadian Packing Co. at London Junction. The new firm will be capitalized at $1,000,000 and at a meeting of the directors on Friday the following officers were elected: President and general manager, Wm. S. Haman, vice-president, Alfred Ironside, secretary-treasurer, Clayton Ironside, directors, Harry M. Todd and Wm. J. Howlett. The company will be known as the Producers Terminal Company. The property and plant have been purchased from A. B. Greer and manufacturing is to commence immediately. About 100 men will be employed.

ALABAMA POWER

A Non-par Stock Issue Is Being Arranged

Stockholders of the Alabama Power Co. have approved plan of directors to convert the 90,000 shares of authorized but unissued preferred stock and the 400,000 authorized common, par value of each $100, into non-par stock. The new preferred will pay $7 a share annually in dividends and will be equal in all respects to the old preferred.

Authority has been given the company to proceed with the sale of 10,000 shares of the non-par preferred at $93 a share. The directors were also authorized to issue $25,000,000 of new bonds, which will bear such rate of interest as they may decide. This will probably mean 6 or 7 per cent.

Refinancing is understood to have a direct bearing on the development plans of the company, which include the Mitchell dam on the Coosa that will generate 100,000 horse-power, the right to build which has been asked of the Federal Water Power Commission.

BREWERIES HOLD INTEREST OF STREET

Removal of Luxury Tax Greatly Improves Outlook For Profits

From Our Own Correspondent.

MONTREAL. — Since the removal of the luxury tax of 30 cents a gallon on beer by the recent budget, National Breweries has led the market in activity with a substantial advance. The consequent reduction in price that is looked for is taken as certain to increase the consumption, while the competition with spirituous liquors may be lessened by the higher tax on these. Two elements may reduce the output somewhat, on the other hand: unemployment and business conditions that may cut down export demand.

In a review of the company's prospects McCuaig Bros. & Co. in a market letter say:

"As to dividend prospects it is not easy to predict. An obstacle in the way f an early increase is the fact that at the end of 1920 the company had bank loans totalling $1,000,000. Some of the board are understood to be in favor of paying off this amount gradually out of earnings, in which case an increase in the rate of dividend would probably be delayed for a year at least. Still there is nothing to prevent this debt being paid off by a bond issue and more recently an issue of stock to the shareholders at $25 a share has been suggested.

"From a stockholder's standpoint the last mentioned suggestion would be the more attractive.

"Whatever the outcome, there is little doubt that the company will be a very heavy earner in the future and on this account the stock appears to have taken the public fancy to an extraordinary degree. It has come in for special attention at the present time because most industrial companies are showing reduced earnings, and on account of the difference of its position, is likely to sell on a higher basis than other stocks of the category for a long time to come."

PAN EXTENSION

Stamp Mill May Be Installed Next Winter

At the annual meeting of the shareholders of the Pan Extension Gold Mines at Winnipeg the directors stated that the company would go ahead in a systematic and minerlike way, developing the property to deeper levels, it being the intention to sink to at least 500 feet as quickly as possible and open up the ore bodies which already have been uncovered at the 120- and 200-foot levels.

Late reports were not available from the mine on account of the breakup, but miners are expected down in a few days from the Rice Lake country with the latest news.

The directors announced that if present showing continues with deeper development, a stamp mill will be put in next winter.

MINING STOCK QUOTATIONS

Week ending May 17.

	High	Low	Close	Sales
Adanac	1¼	1⅛	1⅛	6500
Apex	1½	..	..	1000
Atlas	19¼	18½	19	50500
Bailey	3	2⅞	2⅞	2000
Beaver	35	..	..	100
Cons. Smelt.	17	16½	17	520
Coniagas ..	1.70	1.65	1.70	550
Crown Res..	13	..	..	1200
Dome Ext. .	75½	70	70	1300
Dome Lake .	6	3¾	6	21500
Dome Mines	22.50	21.25	22.30	1350
Gifford	1⅛	1	1⅛	13000
Gold Reef ..	3⅝	3¼	3¼	24500
Great North.	1¾	..	..	5000
Hollinger .	7.27	7.20	7.27	1400
Hunton	9½	..	..	3500
Keora	14	13	13¼	37000
Kirk. Lake.	50	48	48	2100
La Rose ...	23½	..	..	500
Lake Shore	1.32	1.31	1.31	2840
Inspiration .	5	1¼	5	13000
Mck. Dar. ..	19	..	..	400
McIntyre .	2.00	1.98	1.99	9700
Min. Corp.	1.12	1.00	1.08	3800
Moneta	12	..	..	11000
Newray	7½	..	..	1000
Nipissing .	5.25	5.00	5.00	580
Ophir	1⅜	1¼	1¼	5500
Porc. Crown	28	27	27	6000
Preston E.D.	3⅝	3½	3½	6000
Right of Way	½	..	..	1500
Schumacher.	24	..	..	5500
Silver Leaf .	2	1⅞	2	30000
Teck Hughes	17¾	16	16	19000
Timiskaming	19¾	17½	18	4500
Thomp. Krist	8	7¾	7¾	1500
Trethewey ..	19	16¾	17¾	18200
V. N. T.	20½	19½	20½	18500
West Dome	10	7⅞	8⅞	34500
West Tree .	4	3	4	25000
Lebel Ore ..	35	..	..	2000
South Keora	34	33	34	9000
Wakenda ..	3½	..	..	500

N. B. POWER COMPANY TO REDUCE WAGES

But Men Say Predictions as to What Will Happen Are Mere Conjecture

From Our Own Correspondent.

ST. JOHN.—The New Brunswick Power Company, which operates the street railway, the gas and the electric power and lighting system of this city, has served notice on its employes that it will not renew the agreement regarding wages and conditions of labor which expires on June 14. The company proposes to make a reduction of wages, but just to what extent is not known. The officials of the street railway men's union say they have anticipated a reduction of wages, but add that any prediction as to what may happen on June 14 is pure conjecture.

The new general manager of the N. B. Power Company, Percy W. Thomson, has just discharged two employes, who are alleged to have been agitators and trouble makers.

Timber Block in British Columbia

FOR SALE

To close out an estate there is offered for immediate sale block of standing timber covering an area of some 25 square miles. Contains spruce, fir, tamarack and pine. Situated about 10 miles from railway station. Block has been carefully cruised. Reports, maps and full particulars on application to

National Trust Company, Limited
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NEW ISSUE

$2,500,000
Brompton Pulp & Paper Company Limited
8% Convertible 20-Year Mortgage Bonds
DUE MAY 1st, 1941

From information given us by the Company, we summarize:—

Assets $18,153,000 Total assets of the Company's two mills at East Angus, P.Q., at Bromptonville, P.Q., Claremont, N.H., and Groveton, N.H.—on which these Bonds are a charge, as per combined balance sheet of these Companies at Jan. 1st last, after deducting Depreciation Reserves, and giving effect to present financing, amount to $18,153,000. The total bonds outstanding amount to $5,913,000.

3 times The net earnings for the last 4 years, after depreciation, taxes and all other charges, averaged $1,291,000, or three times bond interest requirements, including this issue.

Conversion The bonds of this issue are convertible at any time until May 1st, 1931, at the option of the holder, into common stock on the basis of 20 shares common stock for each $1,000 par value of Bonds. In other words, a bondholder has a ten year call on the stock at 50. This stock, paying $4 a share, is listed on the Montreal Stock Exchange. Recent quotations are at $33 per share. It has sold as high as $85 per share.

Earnings have averaged over $9 per share on this common stock in the past four years. For 1920 net earnings, before depreciation, were $18 per share. Company's earning power is potentially greater than in the past on account of development and improvements made out of earnings in past years.

Property Freehold and leasehold timber areas of the Company and subsidiaries aggregate 1190 square miles estimated to contain 7,000,000 cords pulpwood and a very large quantity of saw logs. These reserves are estimated sufficient for all future operations at present capacity. The plants have a combined output of 123,000 tons of pulp and paper products annually for sale.

$6,000,000 Investment The last four years the Company has invested $6,000,000 in improvements largely out of earnings. By the acquisition of new plants the Company has been made into a self-sufficient unit with the market in its own hands for the greater part of its unfinished product. By reason of the expenditures on machinery and plants to lower costs of production, the Company's costs compare very favourably with those of the lowest mills on this Continent. The present issue represents less than half of this investment out of earnings.

PRICE—99 AND INTEREST TO YIELD 8.10%

Detailed prospectus of the issue will be sent on request.

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MONEY BANKING AND EXCHANGE

STERLING BANK REDUCED LOANS BUT NOT PROFITS

Large Sum Is Invested in Canadian Governmen Bonds

PRESIDENT ON FUTURE

Looks Forward With Measured Optimism—Depression Will Continue But the Worst Is Over

The tendency of the Canadian banks to curtail current loans is reflected in the annual statement of the Sterling Bank, which shows that during the year such credits were reduced from $8,476,000 to $6,754,000 or by $1,722,000. Despite this curtailment in business, however, there was no reduction in net profits, which were $255,976 compared with $251,347 in the preceding year. Of this amount $98,418 was distributed in dividends compared with $85,884 and $83,000 was allowed for depreciation. Other amounts distributed are compared in the following summary:

	1921.	1920.	1919.
Bal. forward	$ 42,943	$40,909	$ 40,874
Net profits	255,976	251,347	213,632
	$298,919	$292,256	$254,506
Dividends	$ 98,418	$ 85,884	$ 73,146
Reserves	50,000	50,000	50,000
Taxes	29,935	23,429	20,451
Res. for Dep	83,000	70,000	50,000
Balance	37,564	42,943	40.909
Premises	.....	20,000	20,000
	$298,919	$292,256	$254,506

In addition to the reduction of current loans an interesting feature of the balance sheet is the reduction of $2,500,000 in the amount owing to the Government. These two changes are a direct result of deflation in business generally. Holdings of Government securities were reduced by $416,000 and of public securities, including British Treasury bills, by $509,000. In addition to the reduction in the amount owing the Government demand deposits were lowered by $1,165,000 and although savings were higher at $921,000 the result was a net reduction of assets by $2,750,000. Following are comparative figures from the balance sheet:

	1921.	1920.	Change.
Immediately Available Liquid Assets			
Specie	$ 115,664	$ 111,019+	$ 4,645
Dom. notes	2,114,062	2,411,291—	297,229
Note cir. dp.	65,000	66,827—	1827
Notes, bank	145,033	258,811—	113,778
Bank bal.	6,564	5,169+	1,395
Do., ab'd	328,959	281,358+	47,601
Gov. secs.	9,197,940	9,613,942—	416,002
Cheques	742,538	772,272—	29,734
	$12,715,760	$13,520,689—	$ 804,929
% total asset	53.8	51.4+	2.4
% total liab. to pub.	58.3	54.9+	3.4
Other Assets			
Pub. sec.	$ 2,766,065	$ 3,275,465—	$ 509,400
Other sec.	337,174	397,812—	60,638
Call loans	123,270	159,842—	36,572
Current	6,754,095	8,476,429—	1,722,334
Over. debts	8,669	8,802—	132
Lets. of cr.	3,200	5,041—	1,841
Premises	525,025	401,283+	123,742
Oth. assets	388,136	130,504+	257,632
Mortgages	2,750	......+	2,750
	$10,908,384	$12,855,178—	$1,946,794
Total assets	$23,624,144	$26,375,867—	$2,751,723
Liabilities to Public.			
Circulation	$ 1,210,409	$ 1,290,337—	$ 79,928
Dom. dep.	3,643,856	4,809,022—	1,165,166
Savings	13,588,756	12,666,999+	921,757
Due banks	280,095	257,687+	22,408
Acceptances	3,200	5,041—	1,841
Due Dom. Govt.	3,100,000	5,600,000—	2,500,000
	$21,82,316	$24,629,086—	$2,802,770
To Shareholders			
Capital	$ 1,232,200	$ 1,229,570+	$ 2,630
Reserve	500,000	450,000+	50,000
Dividends	28,064	24,268+	3,796
Balance	37,564	42,943—	5,379
	$1,797,828	$1,746,781+	$ 51,047
Total liab.	$23,624,144	$26,375,867—	$2,751,723

An outstanding feature of the statement is the remarkably strong position of the bank in the extraordinarily large reserves in the form of Government bonds which are being carried, and, while enabling the bank to earn a satisfactory return on its capital, provides a most unusual margin of safety for its depositors. It is a feature calculated to inspire the utmost confidence.

Mr. Somers on the Outlook

In his address to the shareholders President G. T. Somers was mildly optimistic in that while he stated that the end of the depression was not in sight by any means the worst was unquestionably over. In this connection he said:

> In regard to the future, while we may not have reached the end of the present depression, it is generally conceded that we have at least passed the worst of it, and speaking for this bank, I feel that our business is so compact and sound, that I am confident that we cannot merely maintain our position, but continue to grow satisfactorily.

DOMINION

The Dominion Bank announces the opening of a branch at Kenora, Ont., with W. N. Sheffield as manager.

EXCHANGE MARKETS

Steady and Firm — Sterling Moves Over $4.00 Mark

Exchange markets displayed further strength this week, sterling moving above the $4.00 mark, the highest rate in several months. Francs and New York funds were steady, funds weakening slightly, however, at the close of the week, moving down from 11 15-16 at the outset to 11 5-16. The following are the quotations:

May 12—New York funds sold at 11 15-16 up to 12 132, with bulk of sales at latter figure. Funds closed at 12.

May 13—Funds steady at 11 29-32 to 11 15-16.

May 14—Opened at 11 15-16, with sales at 11 29-32.

May 16—Funds sold at 11 15-16, 11 13-16 and 11 7-8.

May 17—Opened at 11 3-4 to 11 7-8; sales at 11 3-4, 11 11-16, and 11 7-16 at close.

May 18—Sales at 11 1-2, 11 1-8, 11 3-8, 11 3-16 and 11 5-16th bid at close.

STERLING AND FRANCS

	Sterling		Francs	
	Demand.	Cables.	Demand.	Cables.
May 12.	$3.99¾	$4.00½	11.91	11.89
May 13.	4.00	4.00¾	11.64	11.62
May 14.	4.00⅛	4.00⅞	11.63	11.61
May 16.	3.99½	4.00¼	11.76	11.74
May 17.	3.99⅝	4.00⅜	11.87	11.85
May 18.	4.00	4.00¾	11.68	11.66

The rate of exchange on freight shipments between Canada and the United States, according to announcement from Ottawa, from May 15 to 31, has been set at 11⅞ per cent., and the surcharge at 7 per cent. Passenger exchange is set at 12 per cent.

CANADA'S APRIL TRADE

An All-Round Decline During the Month

An all-round decrease in Canadian trade during April as compared with last year is shown in the monthly trade returns issued by the Department of Customs. The grand total decreased by $44,774,677, when the total was $109,386,557 as against $154,161,234 grand total for April, 1920. Domestic exports were $43,280,735, against $53,353,386, a decrease of $10,075,651. For the same period of 1921 merchandise entered for consumption dropped in value from $98,290,735 to $65,310,817, a decrease of $32,979,888. The value of foreign merchandise exported from Canada also showed a decrease of $1,719,138, the figures for the corresponding months being: April, 1921, $794,975, and April, 1920, $2,514,113.

NOVA SCOTIA

R. G. Wallace, formerly manager of the Sparks Street, Ottawa, branch of the Bank of Nova Scotia, has been appointed manager of the Hamilton branch.

T. G. McMaster, formerly manager at Hamilton, is being transferred to general office, Toronto.

MONTREAL

W. H. Hogg, manager of the Vancouver branch, and recently acting-superintendent of the British Columbia branches, has been appointed superintendent of British Columbia branches, with headquarters in Vancouver. He will be succeeded in the managership of the Vancouver branch by G. F. Laing, manager of the Yonge and Wellington Sts. branch, Toronto. J. G. Hungerford, the inspector of the British Columbia branches, has been appointed assistant superintendent and inspector of the British Columbia branches.

E. S. J. Martin, the manager of the Yonge & Queen streets branch, Toronto, as manager of the branch at Peterborough, Ont., will succeed C. C. Abbott, who is retiring after forty years' service with the bank. Mr. Martin was manager of the Saskatoon branch for some time prior to his promotion to the Yonge and Queen streets branch in Toronto, in 1919. C. S. R. Laidlaw, of the Carlton Street branch in Toronto, succeeds Mr. Martin.

Weekly Bank Clearings

(In comparison with same week last year).

	May 12, 1921.	Change.	%
(Eastern Cities)			
Toronto	$105,579,7[illegible]—	$ 4,317,914	3.9
Montreal	124,776,553—	8,802,677	6.5
Ottawa	12,333,941—	1,180,265	8.7
Hamilton	6,194,310—	1,789,277	22.4
Quebec	7,555,506+	1,651,740	27.9
Halifax	3,717,298—	1,453,089	28.1
St. John	3,143,030—	673,925	17.7
Windsor	3,451,863—	252,148	6.8
Brantford	1,408,869+	3,463	.2
Sherbrooke	1,894,888+	885,602	87.7
Kitchener	1,281,033—	103,161	7.4
Peterboro'	1,147,111+	28,839	2.5
London	3,506,931—	690,629	16.4
Total East	$275,991,110—	$16,698,441	5.7
Moncton	1,149,601		
Kingston	1,037,521		
(Western Cities)	May 12, 1921.	Change.	%
Winnipeg	$ 46,185,669—	$ 1,311,361	2.7
Vancouver	15,361,633—	2,477,097	13.8
Calgary	6,884,808—	1,515,651	18.0
Edmonton	4,442,858—	1,788,931	28.1
Regina	3,416,497—	715,047	17.3
Saskatoon	1,692,489—	450,187	21.0
Moose Jaw	1,317,309—	217,560	14.1
Ft. William	782,007+	10,589	1.3
N. Westminster	625,164—	103,037	14.1
Lethbridge	620,097—	231,094	27.1
Brandon	664,036—	30,772	4.4
Medicine Hat	384,165—	101,722	20.9
Prince Albert	334,032—	137,041	29.0
Total West	$ 82,710,764—	$ 9,018,911	9.8
Grand total	$358,701,874—	$25,717,352	6.6
Victoria	[illegible]		

ASK ANOTHER YEAR ON BANK CHARTER

Great West Bank Promoters Think They Could Still Make Good

From Our Own Correspondent.

REGINA.—The directors of the Great West Bank of Canada feel that an extension of a year to July, 1922, will permit them to secure the $50,000 in stock subscriptions necessary before the bank can engage in actual business. The bank's charter expires in July, 1923, but the powers and rights conferred under the charter automatically lapse unless the preliminary requirements are fulfilled which would permit the issue of a treasury certificate one year after the date of the charter, or in July, 1921.

According to local directors, the interests of the original promoters of the bank have been bought out by the Bond Corporation. The trials of the new bank in getting under way are well known in Regina and one of the directors says:

> "Unfortunatey so much time has been lost by unfortunate happenings that it would have been impossible to have completed the sale of sufficient stock by July next to enable the bank to complete organization proceedings and start up in business. The slump in the price of grain and cattle and the tightening up of the money market are one of the unfortunate incidents which have delayed the preliminaries leading up to the first statutory meeting of the shareholders."

STANDARD

F. D. Patterson, for nearly seven years manager of the Calgary branch of the Standard Bank of Canada, has been appointed inspector for Alberta and Saskatchewan. J. McDowell, formerly of Tillsonburg, Ont., has been appointed manager at Calgary.

COMMERCE

Eric Dibblee of the Amherst branch of the Canadian Bank of Commerce, has been transferred to the branch at Winnipeg.

The Bank of Commerce has taken a lease of the Butchart Block, Owen Sound, and have extensive alterations well under way.

R. J. Harris, of the Prince Albert staff, has been transferred to Langham, Sask.

ALBERTA MANAGERS OF ROYAL GATHER

Fifty Branch Heads Discuss Business Situation at Calgary

Fifty managers of branches of the Royal Bank of Canada in Alberta attended a two-day conference at Calgary. Every branch of the bank in Alberta was represented, in addition to the staff of the supervisor's department, a new department which was opened up in Alberta last month. The general financial situation and matters of institutional interest were the matters chiefly under discussion.

A very interesting address was given by J. H. Menzies, an inspector attached to the Calgary branches of the bank. Addresses were also given by E. E. MacKay, of Lethbridge, J. F. McMillen, of Edmonton, J. Walker, of Calgary, and S. L. Cork, formerly of Winnipeg. A. Macleod Sinclair, a well-known local barrister, also gave an address. The following managers were present:

J. K. Atkinson, T. W. Boyer, G. N. Bryan, T. S. Buckham, H. R. Calvert, A. J. Cameron, J. M. Campbell, D. L. Carev, E. C. Chapman, R. O. Corbett, J. W. Doran, H. H. Eyre, F. J. Grant, R. R. Gilbert, M. H. Gilmour, J. A. Hale, F. G. W. Hamilton, W. W. Harpe A. P. Henry, A. V. C. Holtby, H. Hunter, W. W. Hutchings, P. LeMasurier, F. N. Lett, J. H. Lowri E. E. MacKay, W. R. MacKay, Mackie, W. Mann, F. M. Matheson, A. McMillan, J. F. McMillan, A. Morrison, F. E. Murray, J. G. Nickerson, G. F. Nicholl, H. J. Nicholson, W. Otto, W. J. O'Callaghan, A. Olive, W. J. Purdy, H. K. Stoppord, W. Stowell, J. B. Turner, J. S. Walker, E. M. H. Wegren.

Members of the supervisor's department were S. L. Cork, J. H. Menzies, E. G. Sampson, D. M. Morrison, W. Hugill, W. Dymock, J. Anderson and W. Turcott.

NEW YORK BANK MERGER

National City to Absorb the Commercial Exchange

Directors of the National City Bank have voted to absorb the Commercial Exchange National Bank and have ordered the proposition submitted to the stockholders for approval for which a special meeting of the latter will be called at an early date.

Several months ago negotiations were begun looking toward absorption of the Commercial Exchange Bank which, as a state bank, had established three branches in New York. Effective with the consolidation, these branches will become regularly established offices of the National City Bank.

Are your returns from Advertising what they should be?

Have you attempted to get in touch with the Public by direct advertising through the mails?
Why not try the most effective way?
Compare the cost and the results.

We have the most up-to-date Mailing Lists on the market.

You need no extra office staff, your printing, addressing and mailing handled at a very small cost.
Think this over and get in touch with

PROCTOR & PROCTOR
AURORA ONTARIO

Must the Printing Industry Follow the Building Trades to Stagnation?

An unheard of condition exists in the building trades in Canada.

Everywhere there is a crying need for homes, but practically none are being built. Why?

Because the cost is considered prohibitive. Labor and materials are so high that the man who contemplates building a home for himself counts the cost, and decides that he cannot afford it.

The result, of course, is increased demand for houses to rent—and higher rents—and no one knows the end.

We don't want this stagnation to occur in the printing industry, but employers are right now faced with a demand from the International Typographical Union that the 44-hour week shall be the basis for all wage scales, and the Toronto Unions are demanding a wage of $44 per week. This will add 36 per cent. to the wage bill of Toronto job printers and publishers, other than those of daily papers.

Does anyone feel that under present economic conditions an increase from 73c per hour to $1.00 per hour for printers is justified?

Does anyone believe that the effect of such an increase in the labor cost of printed matter, can be other than harmful to the industry as a whole?

Printers can only find employment as long as users of their product continue to buy.

Will there not come a time, when—if costs keep on mounting—printers will find themselves in the same position as many highly skilled carpenters, bricklayers, plasterers, and painters are now in? They are willing and anxious to work but cannot find a market for their services.

This is a matter in which the buyers of printing—the subscribers to this and other papers—and the advertisers—are vitally concerned. An increase of 36% in the wage bill of publishers would necessarily involve an increase in subscription price and advertising rates.

That is plain.

Publishers would be very reluctant to add one cent to the present subscription price of their papers or to effect any increase in advertising rates, but they cannot possibly absorb any such addition in wage costs as is proposed, and stay in business.

An expression of the opinion of readers of this paper on the Union's proposals, involving an increase of 36% in the labor cost of printed matter, is asked. Will you not write a letter to the editor (not for publication) telling him your view of the situation?

Don't let us drive the printing industry into the condition of the building trades.

This statement is published by and has received the endorsation of the Toronto publishers who are members of the

Canadian National Newspapers and Periodicals Association

including (*insert name of your paper here*)

NEWS AND VIEWS FOR MANAGERS

ATTITUDE OF THE MANAGER TO THE NEW RETAILER

Rules Are Simple — But There Are Rules and Other Rules

CAREFUL JUDGMENT

Close Attention Must Be Given to Affairs of "Amateur" Business Men at a Time Like This

Last week the report of an Ontario bank manager regarding the number oew retail establishments being opened of retail establishments being opened business, was referred to on this page. In the following article A. B. Barker, for many years a branch manager, and now manager of the Toronto Clearing House, outlines the relationship between the banks and retailers and gives some pointers which may aid branch managers in dealing with applications for loans from new adventurers in the retail field who may consider that having started in business the banks should supply the necessary funds.—J. W. T.

It has been noticed lately that numbers of men are going into retail business in the country towns. Retired farmers and others are putting their savings either into starting new establishments or buying out the proprietors of others. The result, of course, will be a rather high rate of business mortality among them in the not distant future. This is not to be wondered at as the chances are all against them. Had they been in business during the period of rising prices, and applied the extra profits earned during that time to reducing liabilities, it would have been different, but unfortunately they are starting in at a time when the tendency is towards a lower range of prices, and they have no reserves of past profits from which to allow for depreciation and the ordinary risks of trade. Then, too, like all beginners, their experience must be paid for. Most of them are novices in credit, and their bookkeeping methods will not likely be of much use to them.

From a banking standpoint, speaking generally of course, retailers are not entitled to bank loans. They buy their stocks on credit, and from the sales they make expect to pay their trade debts, and from the profits on these sales must pay their living expenses, the expenses of their business, rent, light, heat, etc., and make provision for bad debts and depreciation. Speaking generally, where a retailer asks bank accommodation by way of direct loan, it is because he has sold to slow-paying customers, or has overbought, and must carry certain stock over till the next season. Sometimes, of course, a loan is quite legitimate, possibly to enable him to buy for cash, but in such cases it will be found that his trade debts are small and that he is a good trader, keeping his stock turning quickly. Also his books will be in such shape that the necessary information as to his affairs can be readily and quickly found. This, of course, refers only to direct advances and not to the notes of customers presented by the retailer for discount.

The Bank's Position

Many cannot understand why they should not borrow from the bank to pay the accounts owing the wholesaler. They want to borrow, and the bank has the money to lend, and if they are good for the amount why can they not get it? Much business has undoubtedly been done along these lines and probably will continue, but this is not the theory on which bank accommodation is based. A bank is a trader in credit which it buys and sells just as the dealer buys and sells goods. He makes his profit from the turnover and so does the bank. There is this difference, however, that the bank's margin of profit is far less than the merchant's, and the terms on which it buys its supplies much more stringent. A merchant, if his accounts do not come in as promptly as expected, can renew, but this is impossible for a bank; it must be able to pay its obligations promptly. For these reasons there must be no question of the volume of turnover in the bank's dealings, and as every renewal keeps down this volume of turnover, long-winded advances show poor banking.

A bank buys credit when it takes in deposits, and sells it when it makes a loan. When a bank makes a loan it in effect borrows the funds from its depositors in order to lend to its customer. It agrees to repay what it borrows on demand, and to do this must keep its advances liquid. For this reason advances to retailers, unless they are to enable them to pay cash for their goods, and in consequence will be retired promptly, are not desirable. Retailers buy on credit and the bills are supposed to be paid from the proceeds of the sales. A certain percentage of renewals are inevitable in the ordinary course, and the wholesalers' prices are fixed so as to allow for this. Therefore when a retailer does not sell as expected, or having sold does not collect as promptly as he should, he should arrange with his suppliers for further time, rather than apply to the bank.

This is, of course, the cold-blooded theory of the thing, but in real life there is always a difference between theory and practice—like the young officer telling his experience under fire for the first time. He got the order to retire from an advanced position and said that, according to the drill book, this should be done by sections, but in the real thing when ordered to retire "there was no time to waste and the whole company simply jammed their helmets on tight, and ran like hell."

PRIZES TO ENCOURAGE RAISING OF SWINE

Banks Co-operating in Campaign to Arouse Interest Of Boys and Girls

From Our Own Correspondent.

EDMONTON.—Cash prize competitions under the joint auspices of the Provincial and Dominion governments are now being carried on with a view to creating interest among young people on farms in the raising of swine. The pork and bacon industry in the West has been at low ebb for the past few years, but it is now believed to have better times in sight, and the government livestock branches are endeavoring to stimulate it by encouraging a closer study of breeding, production and marketing. A part of their scheme is the organization of swine clubs among the boys and girls.

It is proposed that each local community in which such a club is organized shall raise two-thirds of the prize money with the help of the banks and the provincial government. The Dominion Livestock Branch will contribute the other third. Clubs are limited to the ages of ten to eighteen years and must contain at least ten members, who are to own and feed the animals they exhibit. The club exhibits will be made at district or school fairs, but carload entries, consisting of not less than sixty hogs, are to be shipped to market points for judging. The prizes for car-lots range from $200 to $50.

EFFECTIVE POSTERS

Built Business for Guardian Trust Co. of Cleveland

The Guardian Savings & Trust Co. of Cleveland has had to enlarge its department for foreign accounts from the original force of three employees to sixteen within the period of three months. Using posters as an advertising medium to reach this class of depositors brought about the increase in patronage. The display of these in the lobby of the company's building was alternated with a successive showing in arcades and the shop windows on the principal thoroughfares. The displays were featured with decorations, such as having them surrounded with the colors and products of different nations, Italian, Chinese, Russian, etc. Reproductions in black and white were used in the newspaper and theater program advertisements.

CHASING BURGLARS IN THE AIR

After a chase in which a score of automobiles and an airplane scoured the country east of Grand Rapids, Mich., Allen Neuman, 18, and Clinton Bullen, 20, were arrested as the bandits who at noon held up the cashier of a branch bank and escaped with a sum said to be less than $1,000. The young men, according to the police, have confessed.

TWO AND A HALF CENT PIECE

American coinage of a two and a half cent piece, bearing the likeness of Theodore Roosevelt, with the date of his birth and death, is provided in a bill introduced April 27 by Representative Appleby, Republican, of New Jersey.

Its limit as legal tender would be forty cents, the coin to be big enough to distinguish it easily from the one-cent piece.

FRENCH BANKERS CLOSING TWO-YEAR SPECIAL COURSE

Examinations Now Being Held With Special Prizes

FIVE NIGHTS A WEEK

Heavy Demand on Members of Staff But Well Attended—May Develop Correspondence Course

From Our Own Correspondent.

MONTREAL.—A written set of examinations was concluded this week in connection with a special course of training for bank men that probably is unique in Canada, and has few parallels in the United States. For two hours a night, and five nights each week from October to the end of April, a substantial group of staff men from the Bank of Hochelaga, the Provincial Bank and the National Bank have assembled at the School of High Commercial Studies (Ecole des Hautes Etudes Commerciales de Montreal). Many of them are now completing a two years' course for a special diploma.

For a long term of lectures such as this some determination is required, and it is small wonder that the banks plan to single out the more successful of these students for special promotion. In the case of the Bank of Hochelaga a special prize of $125 will be awarded the staff man who stands highest in the May examinations just concluded, in addition to the payment of the fees for the course. Additional cash prizes of $25 will be paid over to all whose marks exceed 75 per cent. of the total.

An effort was made during the courses of special lectures to adapt these to correspondence, in order that a large circle of bank employees outside of Montreal might be included. It was soon decided that the courses were so extensive as to render any attempt to carry out an "extramural" course would be impracticable. The idea, however, has not been abandoned, and some modification may be arranged next fall by which this course of training, recognized by bank executives as a very valuable adjunct of theory to the practical day-by-day training, may be brought within the reach of the more ambitious and enterprising and determined of their staffs in the smaller centers.

Five Evenings a Week

The banking courses are arranged for the evening to suit the convenience of the employees, although during the day the school carries on a somewhat similar course of training in the widely varied curriculum it offers. This school has as its "directeur" Henry Laurreys, who was brought over to Montreal from Belgium a few years ago. Among the unusual features is a library of technical magazines, trade and financial papers, covering Canada, the United States and many of the principal publications of Europe, over 450 in number. These are on file regularly, with bound volumes of the previous year, and indexed articles for the period preceding 1920.

For the first year the course includes theoretical and practical accounting; banking operations; commercial arithmetic; algebra; financial algebra; commercial correspondence in French and also in English; organization of modern businesses; elements of civil law; public law; customs regulations; commercial and industrial law; the science of financing; economic geography; political economy, and so on.

Under accounting there are included the accounting of insurance companies, that of banks and also of industrial concerns.

Functions of Banks

Under banking operations such subjects are handled as the functions of banks, organization of the head office and branches, control and inspection, discount, exchange and arbitrage, the opening of credit, loans on merchandise, documents, etc., function of the clearing house; comparative study of Canadian and American banking systems; the "regime" of the Bank of England, the Bank of France, the National Bank of Belgium, the Reichsbank, etc.

Under financial algebra the use of tables of logarithms is explained, calculation of annuities, various kinds of loans and bond issues; depreciation, amortization, etc., the theory of probabilities, mortality tables.

The organization of corporations is also studied, with the advantages and disadvantages, and in fine a very broad training given that should be of material assistance to the young bankers in taking an intelligent part not only in banking affairs but in those of the community and country at large.

HYDRO RADIALS WOULD SHOW A DEFICIT ON RATES

Continued from page 1

roads, financed by municipalities and governments, go into their territory and take away considerable of their present business, as Mr. Arnold admits they will do?

Another pertinent question was presented by Commissioner Mitchell when he inquired regarding the running time of the proposed radial between Toronto and Hamilton. The steam roads made the distance from terminal to terminal in an hour—before the war the G.T.R. had done it in 55 minutes. Unless the radial beat this time considerably, in its high speed service, where was its advantage to the speed-crazed citizens. Mr. Arnold said from Oakville to Toronto on the radial would take about 45 minutes, though express trains would beat this some.

Where Is the Saving of Time?

"If your trains go into Hamilton as now projected, over Grand Trunk right-of-way and travellers have to lose time getting up town, they wouldn't beat the Grand Trunk schedule much, would they?" asked the Brigadier-General.

"No, but I think the Hydro radial should try to get up to the heart of Hamilton," replied Mr. Arnold.

"Then you are not satisfied with the Hydro's Hamilton plans?"

"To be frank, I am not. Another entrance can be found and I think should be found. It would, of course, cost considerable money."

Asked as to railway service around Toronto and how far out he thought the suburban zone should extend, Mr. Arnold said it should go out to a distance of about ten miles from the terminal centre of Toronto.

When counsel finished with Mr. Arnold himself on Tuesday afternoon his principal assistant, Mr. Sager, took the stand to explain the processes by which his firm had reached their conclusions as to freight revenues. The judge remarked that for weeks the Commission tried to get tabulations and summations from the Hydro to show how their estimates of traffic had been made up. These originals never had been produced. Mr. Sager explained that he didn't know anything worth while about them. Then he went on quite innocently to say that some of them, he understood, had been lost.

"They were found later, I think, in some lawyer's office," he said. The whole court indulged in laughter.

"Let me say at once I am not the guilty lawyer," interjected Robt. McKay, K.C., and counsel for the Hydro municipalities. There was more amusement.

When things got down to seriousness again Mr. Sager explained that the Arnold firm had paid little attention to the Hydro estimates except as a basis. "We proceeded to get our own survey," he said, "so we could check everything over or make our own estimate." He admitted that many of the traffic figures as given in their report were from inquiries and investigations made since the Royal Commission had been appointed.

Mr. Hellmuth pointed out that from ostensibly the same information given by the Hydro to W. S. Murray, of New York, he had granted a heavy deficit the first year on the Toronto-St. Catharines line whereas Mr. Arnold builds up a splendid surplus.

Mr. Sager said Mr. Murray's report on the scheme was only a short written opinion, whereas the Arnold firm had been working for months on the proposition—another example of the delightful differences of opinion among reputable experts on the same subject.

Mr. Hellmuth emphasized that traffic receipts had been figured on a 2.87 a mile fare whereas the Ontario Railway Act only allowed 2 cents a mile to be charged. The difference would turn Mr. Arnold's surplus into a deficit.

Working force at Chevrolet Co. plant at Flint, Mich., to be increased by approximately 1,500 within two weeks due to increased business.

Canadian Appraisal Co., Limited
Property Values Definitely Established to Meet All Insurance and Accounting Requirements
TORONTO ROYAL BANK BLDG.
364 UNIVERSITY STREET MONTREAL
NEW YORK EQUITABLE BLDG.

Lambton Golf Club
Will purchase at reasonable price one or more shares of
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This Agency is prepared to undertake all proper Detective business. Civil and Criminal, entrusted to it by Railway and other Corporations, Banks, Mercantile Houses, Insurance Companies, Lawyers and Private Individuals. Our staff consists of trained investigators of various Nationalities suitable for all lines of work. Consultations strictly confidential. Representatives in all principal Cities throughout the United States, Great Britain and France.

"Here and there and—as good as nowhere"
"You've got some money, haven't you," whispered Captain Cuttle.
"Yes, yes—oh yes—I've got some," returned old Sol, first putting his hand into his empty pockets and then squeezing his Welsh wig between them, as if he thought he might wring some gold out of it; "but I—the little I have got, isn't convertible; it can't be got at—It's here and there and—and, in short it's as good as nowhere," said the old man, looking in bewilderment about him."—
Dombey & Son (Dickens)
HOW many mistaken people have put their money "here and there" into doubtful investments until it is "as good as nowhere".
Investing money, whether in large or small sums, should be safeguarded by the knowledge and experience of responsible and reliable investment bankers.
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4

THE FINANCIAL POST

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TORONTO, MAY 20TH, 1921

OTTAWA HAS NOT INVITED KRASSIN

THE daily newspapers continue to feature reports that Canadian manufacturers can have Russian Soviet orders for the asking. Propaganda of this kind has been appearing for months and the impression created with a large section of the workers that there is unemployment in Canada because the government and the manufacturers are leagued against the new movement in Russia. As a matter of fact these reports have time and again been proven to be fakes. And the same newspapers which have printed them have ignored such news as the extensive arrests of Soviet agents in the United States about the end of April and the positive evidence revealed at that time that the whole propaganda was planned to prepare the way to a revolution and the setting up of a Soviet government in America.

The Canadian government was recently approached by Soviet agents who presented a scheme to buy goods with Russian gold. The arrangement proposed was similar to that made with Great Britain. The reply of our government was that if the Russians or any other people came along with cash they would not interfere between them as buyers and Canadian sellers. But at the same time the government positively refused to recognize the Soviet officially in any way and definitely refused a request to allow Soviet inspectors in manufacturing plants. Ottawa has extended no invitation to Krassin and the statement that he is coming to Canada in response to such a call is untrue.

One of Canada's largest manufacturing concerns, which before the war had a large market in Russia, and which would undoubtedly be one of the first to be approached by Krassin or other representatives of the Soviet, has seen or heard nothing of them. The general manager of this concern on Wednesday repeated to THE FINANCIAL POST that trade with Russia would be welcomed, but only on the basis of gold deposited in a neutral country and in a bank satisfactory to his company—and of business on this basis with the Soviet he had little hope.

U.S. CABINET SYSTEM BETTER THAN BRITISH

EUROPE, as well as America, believes that President Harding of the United States has gathered about him one of the strongest Cabinets, not only in the history of the United States, but of the world. He has not picked out professional politicians, but men of outstanding ability, who have a record of successful experience in the departments which they are administering—a capacity for doing things and for getting things done. A world-known figure as a business administrator is Hon. Mr. Hoover, who was selected to take charge of U.S. commerce. One of Mr. Hoover's first acts on assuming office recently was to call into conference representatives of the leading business newspapers of the United States to discuss the business situation in that country and to get their views on the development of U.S. commerce. In asking them to meet him, he said:

> "My view of the matter is that we may well consider the trade publications of the country as the mouthpieces of the Department of Commerce—the contact points by which the business world is to know what we are doing and how we are doing it, and also to carry to our industry the message of co-operation which it is my hope to place before every manufacturer in every industry in the country."

The United States Cabinet system is superior to our antiquated copy of the British plan which has made Imperial Government a big game not a great business, and a Cabinet Minister a slick talker rather than a capable administrator. On the other hand, under the United States system, the President is able to select good men wherever they are to be found. This is how that Government has done so much for the business interests of the country as a whole.

Before the war, when the Democrats were in power, the United States Department of Trade endeavored to enlist about fifty business newspaper editors for two to three years in the public service and send them abroad at the expense of the country to study business conditions in order that they might return and give better service to their readers. That is, they regarded the business press as an essential factor in the commerce of the nation.

In Canada, under our system, we have as Minister of Commerce, one of the most charming, most popular and most lovable of men, and without doubt the most brilliant orator, but who has not the experience or capacity to successfully conduct a small business. He can see no use for business papers. It is not Sir George Foster's fault. It is the system which puts him in the wrong place. We appointed a ward politician who knew nothing of business to be general manager of our postal system, and as Hon. Mr. Lemieux has pointed out, the Department is losing millions of dollars annually by being over-staffed and inefficient. Such a man, having no sympathy for business interests, suggested that business papers should be shut out of the newspaper mails was backed up by another, Mr. Nicholls, who had not shown a brilliant success as a business man, who said that business newspapers performed no public service.

We are all hoping that our Premier will safely run the gauntlet of British hospitality and escape the pitfalls of professional Imperialists—with only selfish personal ends to serve—which have been prepared for him and returning promptly to Canada will reorganize his Cabinet, giving us experts in their respective fields, as he already has in some of his Departments like, for example, Hon. Mr. Doherty in the Justice Department, who proved himself an outstanding man at the European Peace Conference. Mr. Doherty had no press agent and one has to go to the statesmen and great journalists in attendance at the meetings to learn these facts.

MR. PARSONS OR SIR EDMUND WALKER

"SOUTH AMERICA is the one great market for Canadian products," said S. R. Parsons, ex-president of the Canadian Manufacturers Association, in addressing the convention of the Purchasing Agents' Association at Toronto. This statement by the self-appointed, but generally accepted mouth-piece of the C.M.A.—whose knowledge (if any) of South American markets has probably been gained by measuring areas on the map and multiplying units of population—is strangely at variance with the reports made by Sir Edmund Walker, president of the Canadian Bank of Commerce, and one of Canada's leading bankers and trade experts, who has just returned from an extended tour of South America and a first-hand study of business possibilities there.

THE FINANCIAL POST has frequently criticised Mr. Parsons for his reckless misrepresentation of the manufacturers. He presumes on the title of "ex-president" of the C.M.A. to force himself into the public eye on the slightest excuse and make statements on a wide variety of industrial matters on which he takes a broad outlook, but has little or no practical knowledge. In his references to South America he has once more given ample justification of the criticisms offered.

Mr. Parsons, from his point of vantage in the Royal Bank's Toronto skyscraper, can see great trade opportunities in South America—business plums ripe for the picking. The public at once expect a great increase in our exports to that country and think that manufacturers are neglecting easy opportunities to right our balance of trade just as they have been led to believe by the daily newspapers that Russian orders are being passed up. Sir Edmund Walker, after a thorough investigation on the ground, believes that while trade opportunities in South America should be carefully cultivated they are limited. The great mass of the people there are laborers who live very simply. There is no great middle class of substantial buyers as in North America. The upper class includes many people of large means, but they depend very largely upon Europe for their luxuries.

South America has some opportunities for the Canadian manufacturer. It will, however, require careful study of conditions to meet the peculiarities of the market and supplant the European manufacturer and the old-established connections both as to character of goods and prices. Sir Edmund Walker found this to be the situation. But Mr. Parsons would give the public and the manufacturers the false impression that big orders can be picked up by any traveling salesman.

EDITORIAL NOTES

FARE increases on the Eastern Massachussett's Railway Lines have resulted in the loss of short haul business and smaller net revenues, according to Homer Loring, chairman of public trustees, who adds that the financial difficulties of the lines are attributable to the popularity of the automobile. Sir Adam Beck proposes to spend many millions of public money in building more radial railways in Ontario.

* * *

CHARLES M. SCHWAB says that the government must keep hands off while the railroads settle their own affairs, adding that transportation wages and readjustment of rates are the most important business problems of the day. He further declared that the merchant marine would never prosper while in the hands of the government. There is a growing number in Canada who think with the head of Bethlehem.

* * *

BY ESTIMATING revenue from the proposed Hydro radials on the basis of 2.8 cents a mile, Sir Adam Beck's expert, Bion J. Arnold, figured out a small surplus, but on the basis of 2 cents a mile—the rate now provided by legislation and on which existing radial systems operate—this surplus would become an annual deficit of half a million dollars or so. Is service-at-cost in public ownership then about fifty per cent. above service-at-cost for private corporations?

* * *

C. W. PETERSON writing in the Farm and Ranch Review expresses with President Wood of the United Farmers of Alberta Western confidence in Lord Shaughnessy and his proposals regarding the national railway problem when he says:

> It is not to be supposed. that he can be actuated by any other than the highest motives in taking the initiative in an issue that overshadows all others in national importance. If we cannot concede this measure of confidence in one of our greatest citizens, our minds must be sadly warped. Those who know him will have no difficulty in doing so.

* * *

THE growing feeling of uncertainty in the United States as to the feasibility of maintaining national prosperity by building up the tariff wall is indicated in the following reference to the Young Bill by the American Banker:

> The Young Emergency Tariff Bill which is likely to become a law this month is aimed at helping the farmer by placing restrictions on importations of products which may lower prices. It is the universal opinion among economists and bankers that this bill will not help the situation, nor the farmer in the end, for it attempts to run counter to pure economic law. The relief for the farmer is to find new markets for his products. To find such new markets means that our foreign credit and trade machinery must be so adjusted as to work smoothly. Thus far nothing of value has been accomplished in this respect, though the beginning was made through the edge Act and other laws. The way to cure illness is to reach the cause and not the effect.

What Province of Ontario Has Done for the Hydro

Has Assumed Financial Responsibility on Behalf of All the People, But Has No Revenue From the Public Resources Developed

By J. R. COOKE, M.P.P.

Embracing arguments for the creation of a Department of Power as presented to the Provincial Legislature.

In making the recommendation that a department of power be established in this province, let me say that the first thought that suggested itself to the minds of the committee was the statement made by Sir James Whitney, in 1911, that a department of power should be established, and I will quote his exact words: "I may say also that in our opinion the time has come when, having regard to the conduct of public business under our system, the Hydro-Electric Power Commission should be discontinued and a new department of Government created which should take charge of this great work, and the head of which should be a Cabinet Minister. For several reasons this change is desirable."

Now, that statement was not made in a careless way by one ordinary citizen of this province speaking to another private citizen. But it was a statement given out to the public on the eve of an election by one who held the highest position that it was within the power of this province to bestow, for at that time he was Prime Minister of Ontario. No man has ever held that position whose record has been cleaner, whose honor has been more unquestioned, or whose vision was more clear as to the needs of this province in the future. I was a candidate at that election, and I quite well remember that on different occasions I had spoken endorsing the views expressed by Sir James Whitney that a department of power should be established in this province.

Province Must Know

Now the first thing that occurred to us in dealing with the Lethbridge report was the same reason that prompted Sir James Whitney to promise that if returned he would establish a department of power, and so we say that it would be well for this province to more clearly understand what our relations to the Hydro-Electric system are and what are our liabilities.

Under the Hydro Radial Act the commission is authorized to issue bonds for the construction and equipment of Hydro radial railways, and the executive council is empowered to guarantee these bonds on behalf of the province. Prior to the issue and guarantee of such bonds each municipality contracting with the commission for the construction of a radial road is required to deposit debentures with the commission for its proportion of the cost of the radial, and the Hydro Radial Act provides that these debentures shall be held by the commission as collateral security for the bonds to be issued by it and guaranteed by the Government.

Now, it would be hard for any Government to enact legislation that would more perfectly protect the interests of this province in their guarantee of Hydro radial bonds. Nevertheless the Government of to-day has appointed a commission to investigate all the conditions surrounding it, and while I have no intentions of entering into a discussion concerning Hydro radials I want to say this, that important and necessary as the work of that commission may be, it is of infinitely more importance that this province should truly and clearly understand our relations to the whole Hydro-Electric system and the nature of the liabilities that we are assuming.

Now, unfortunately, the legislation for the protection of this province in the development and distribution of Hydro is not of the same protective character as the legislation in regard to Hydro radials, because while a municipality contracting with the commission for the construction of a radial road must first deposit their debentures with the commission before the Government are asked to guarantee the bonds and then these debentures are held as collateral security for the debt, yet in the development and distribution of Hydro this province itself advances all the money direct, and when asked the Honorable the Provincial Treasurer if he held any securities against these advances, and I mean securities that you can go into the money markets of the world to-day and realize a dollar upon, his answer was no. Here is a statement of Mr. Clarkson's outlining in as brief a form as possible the relations of this province to the whole Hydro-Electric system, and the nature of the securities which are held:

"The province of Ontario has under the Power Commission Act made advances and given guarantees to the Hydro-Electric Power Commission of Ontario of the following character. It has made cash advances to the Commission in respect of the Niagara and other systems operated by the Commission for the development and transmission of power, and, second, in respect of the Chippawa work.

"It has guaranteed bonds issued by the Commission in respect of the purchase of the Ontario Power Co., and certain minor systems operated for the development or transmission of power; and, fourth, in respect of Hydro radials. Now, the offer of payment to the province of cash advances was made, and to protect it against loss the guarantee was given. These conditions exist."

In respect to the Niagara and other systems operated by the Commission for the development and transmission of power the Hydro-Electric Power Commission of Ontario has handed to the Government for advances made to it, and each municipality taking power from the Commission is, under section 23 of the Act, compelled to pay in cash each year to the Commission for power supplied to the municipality.

In the meantime the Commission holds in trust to the municipality the subject of its claims against the same. In respect of moneys advanced by the Commission to the user, which is in turn handled through the advances made to it by the province. The security of the province for repayment of cash advances made to the Commission for purposes of assistance in development and transmitting power is under the above circumstances the contract entered into by the municipalities to pay interest on the advances and such of sinking fund as will in thirty years repay advances of the province, these sinking fund payments to be paid over to the treasury of the province yearly.

Province Advanced Money

In respect to the Chippawa these conditions exist. The province has advanced money to the Hydro-Electric Power Commission to permit it to construct the Chippawa work. As security for the repayment of such advances the Hydro-Electric Power Commission is declared to be the owner of such works for the municipality, subject to lines in favor of the Commission for sums expended or moneys advanced by the Government. In order to permit repayments of such advances the Ontario Niagara and Development Act provides that the municiplities on the Niagara system which will obtain here from the Chippawa, shall pay such price for power from the Chippawa as shall pay the cost of providing the work. There is no provision in the Act, however, to determine what the sinking fund, that is to say the period of years within which the cost of the work ought to be repaid to the Government.

Now under the above conditions the province is looked upon to recover its advances for the Chippawa out of amount to be added in each year to the cost of the power to the municipalities on the Niagara. The Act does not define the amount which is to be so repaid or the term of years within which the province shall be repaid.

Now the liabilities which we have on the Niagara, and I am not speaking of the bonds that have been guaranteed, but simply cash advances that have been made, are these:

Public accounts end. Oct. 31..	$36,767,816
Advances in fisca year ending Oct. 31, 1920	17,546,500
Central Ontario system, public accounts ending Oct. 31, 1919	11,468,000
Advances in fiscall year ending Oct. 31, 1920	530,000

Or a total of $12,173,000.

Mr. Clarke—That is the Central Ontario?

Mr. Cooke—Yes. Now the total advances are these:

General	$54,139,000
Central Ontario system	3,598,000
Central Ontario system bonds	8,575,000
Advances in fiscal year end-	
Advances to Jan. 31, 1921, say, a total of, cash advances ..	75,000,000

Before the House assembles for the next session this legislature will have handed over in cash to the Hydro-Electric Power Commission over $100,000,000.

Hands Over Loans

We must face an additional capital expenditure for possibly $100,000,000 to $120,000,000, so I submit again that in view of that condition this House should ascertain if it was necessary to try and secure some direct revenue in return.

What is the situation to-day? We find, when we compare receipts with expenditures in reference to water powers, that this is the situation: this province, through and under the administration of the Hydro-Electric Power Commission of Ontario, hands over our water powers to the municipalities, and with every horsepower handed over, we loan them $100, and not only that, but out of consolidated revenue of the province we also pay 50 cents per horsepower for administration by Commission, and in return the Provincial Treasury receives less than two cents in exchange.

Let me repeat that—for so much has been continually said in the press about what the Hydro-Electric Development is doing for this province—that it is time for some expression of opinion as to what this province is continually doing for Hydro power. The Minister without portfolio stated the other night that the Chippawa development would cost $55,000,000, or about $5,000 per horsepower. It is not only that which came out of our revenue, but we are paying 50 cents per horsepower for administration by the Commission, and in return the Provincial Treasurer receives less than two cents.

Now, you wouldn't think, in dealing with the natural resources of the province, that that was good business. At least the committee didn't, and that is why we advocated a revenue, and it seems to me it should be accepted by this House.

A Minister of Power Needed

Now, let me say, that in recommending that a Minister of Power be appointed, that there isn't the slightest reason in the world why the duties of Minister of Power should in any way conflict with the duties of the Power Commission of this province to-day.

What is the condition at the present time? Is not the Government of the day, under existing legislation, avoiding their responsibility for the expenditure made in connection with the development and distribution of power? Did Sir James Whitney have a clear vision of the time that would come when, instead of one million, there would be demanded from this House $50,000,000, as has been demanded in the estimates last year and this year for the development and distribution of Hydro power, expenditure over which we are told we will have no control, and from which we shall secure no direct revenue, no return?

Complaints have been made here at various times in discusson of expenditure and Hydro affairs, and it has time and time again been stated that it was almost impossible for men to dare to criticize anything in connection with Hydro expenditure, and I believe that Sir James Whitney, when he advocated the establishment of a Department of Power, looked forward to the day when, under favorable legislation, prompted by the advisability of encouraging public ownership, there would be built up in this province such a huge organization as would seek to dominate this legislature and drive out of public life any man who would dare oppose their will.

PERSONALS

F. E. FISHER, having competed the tenure of his contract with the Canada Bond Corporation, has resigned as general manager of that company and has been succeeded by R. M. Bird. For the past two years Mr. Fisher has been engaged in organization work and has not as yet announced his future plans.

F. W. HANNA, who has just been appointed general manager of the Canada Land and Irrigation Co., Ltd., at Medicine Hat, Alberta, like his predecessor, Mr. Hays, is a product of the United States Reclamation Service. He was once in charge of a federal irrigation scheme at Boise, Idaho, and later had charge of the immense project built around the Roosevelt Dam.

W. W. KING, who has been manager in the prairie provinces for the past two years for the Mutual Life of New York, will leave Winnipeg at the end of the month to assume his duties of joint manager for the province of Ontario. Mr. King has been with the company for over 22 years and previous to taking charge in Winnipeg was acting manager of the Montreal office.

W. H. CARTER, of the Carter-Halls-Aldinger Co., contractors and buildess, of Winnipeg, was recently elected a director of the Sovereign Life Assurance Co. of Canada. Mr. Carter has been active in the business life of Winnipeg for the past 18 years. Previous to starting the Carter-Halls-Aldinger Company, in 1907 he was western manager for the William Grace & Company, contractors. Mr. Carter is also vice-president of the Consumers Artificial Ice Company, Ltd.

R. M. BIRD, who has been appointed general manager of the Canada Bond Corporation, to succeed F. E. Fisher, has been connected with the company for the past two years as secretary. Mr. Bird has been connected with financial interests in Toronto for the past 13 years, having relinquished private practice under the name of R. M. Bird and Co. to take up duties with the above corporation. He was also a partner in the firm of Mulholland, Bird and Graham and has been a frequent contributor of special articles to THE FINANCIAL POST.

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Subject to Legal Opinion of E. G. Long, Esq.

Trustee Investment in Province of Ontario.

FINANCIAL STATEMENT

Population 44,232

Assessed Value for Taxation	$27,473,308
NET DEBENTURE DEBT	1,640,259
Value of Municipality's Assets	3,273,021

Area 52,000 Acres. General Tax Rate: 14.5 mills.

Schedule of Maturities and Denominations

Due 2nd May.	Thousands	Odd amounts	Due 2nd May.	Thousands	Odd amounts
1922—	15 x $1,000	$ 981.80	1927—	21 x $1,000	$ 387.26
1923—	16 x 1,000	940.72	1928—	22 x 1,000	670.50
1924—	17 x 1,000	957.15	1929—	23 x 1,000	1,030.73
1925—	18 x 1,000	1,034.58	1930—	25 x 1,000	472.58
1926—	20 x 1,000	176.66	1931—	26 x 1,000	1,000.93

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Orders may be telegraphed or telephoned at our expense and securities will be delivered to purchasers free of all delivery charges. Bonds will probably be ready for delivery on or about June 18th.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

MOOSE JAW RAILWAY

Enquirer.—Could you give the present market value of the stock of the Moose Jaw Electric Railway Co., Ltd.?

As we have been unable to obtain any record of any transactions in this stock locally we have written to the president of the company on this matter. In reply he points out that it is impossible to give a price on the stock of the company as none of it is changing hands. No dividend has been paid since 1914, and there is no sale for the stock at the present time. "We are hoping for better things in the future," he concludes, "but in the meantime it is impossible to put a value on the stock."

BRAZILIAN

E. D., Nova Scotia.—Will you kindly give me some information regarding the Brazilian Traction Company. Do you think it is a good buy at the market price about $30? Is this company making good earnings, and do you expect that they will pay dividends this year?

At the present market price of around 30½ Brazilian Traction has all the characteristics of an attractive speculation. The stock has been selling consistently around this figure during the prolonged period of depression which the stock markets have experienced, and it would appear that conditions were gradually shaping themselves for a recovery. This company is showing each month a large volume of earnings, and with operating costs on the decline, this company, in common with the tractions generally, should materially improve its position. There is the fact too that the exchanges are gradually moving toward par, and this is an important factor in connection with Brazilian, for the dividend on the common stock of this company has been passed mainly because of the adverse state of Brazilian exchange. The company is undoubtedly in a strong position, and we believe that it will be only a matter of time before the market price will again move up to higher levels. It is impossible to say when dividends will be resumed, but you would be well advised to purchase not with a view to immediate or broadscale appreciation, but for a hold of a year or more.

INDUSTRIALS

A. M. G., Lethbridge.—Will you please give me your opinion of the following as reasonable speculative investments for a business man: Dominion Canners preferred at 78; Canadian Locomotive preferred at 80; Canadian Salt and Penmans common?

You have selected here a list of very fair investments for the average business man. As you suggest there is of course a certain element of speculation here, but the companies mentioned are well established, and given reasonably fair market conditions we are of the opinion that this list should do well. We would place Canadian Locomotive, preferred, at the head of the list. The stock appears well secured, and the company is in addition paying dividends on the common stock. Canada Salt has a good dividend record, and has a comparatively small issue of bonds ahead of it. The profits of Penman's have been affected by the present slump in trade, but accordingly to the last annual statement were well above dividend requirements. The common stock carries dividends at the rate of 8 per cent. Dominion Canners has had a difficult year. The dividend record of the preferred in the past has been somewhat unsettled. We would arrange the securities mentioned in about the order named.

C.P.R. AND F. N. BURT

H. K., Vancouver.—I hold about 34 shares C. P. R. which I bought about three months ago. Would you advice holding on to these or selling and buying some good industrial. F. N. Burt looks good to me.

We would not care to advise you to part with your holdings of C.P.R. for the purpose of re-investment in the stock of F. N. Burt Co. While the latter company is undoubtedly in a satisfactory position you have in C. P. R. a national organization with incalculable potentialities. It would appear that the utilities are on the way to better times, with operating costs approaching the verge of decline, and we believe that the stock of this company should reflect this situation.

MACKENZIE FISHERIES

Reader, Yorkton.—Would you consider the purchase of fifty shares of the Mackenzie Basin Fisheries, Calgary, Alta., a good investment? What are the prosnects for quick returns, if any?

Such information as we have of the Mackenzie Basin Fisheries, Limited, leads to the conclusion that there is a good deal of the speculative element attached to the stock. We understand that this company sold its entire issue shortly after it was organized during the latter part of 1919, and the beginning of 1920. The company has had a fair degree of success, although to what extent we are not in a position to state. There has been no market established for the stock as yet and as we have no record of any sales we do not know what it would bring at the present time.

FEDERAL FINANCE

Subscriber, Fonthill.—An agent of the Federal Finance Corporation has been in the village selling stock in Loew's new Montreal Theatre; some two shares preferred and two common for $280. Will you please let me have your advice regarding this firm and also the advisability of purchasing stock in this concern.

The financial house you mention is offering the stock of the Loew's Metropolitan (Montreal) Limited, and at $140 for one share of preferred and four of common, and not two of preferred and two of common for $280 as you mention. The theatre is nearing completion, but has not yet been opened up. You will understand therefore that this stock is speculative, but taking into consideration the performances of other Loew's theatres in Canada we believe that there should be fair possibilities for the stockholder. Under the present arrangement this theatre is independent of all others, but a merger of all the Loew's interests in Canada is being mooted in some quarters. Arrangements in this direction which were undertaken last fall, fell through, but it is understood that a further agitation will be started later in the year. In the event the interests of all the theatres will be pooled, and they will stand together.

PREFERRED AND COMMON

Subscriber, Morrin.—As a reader of THE FINANCIAL POST will you be so good as to define what is meant by common stock and preferred stock.

Preferred must receive a dividend before a dividend can be paid on the common stock and in a distribution of assets it participates ahead of the common stock. Cumulative preferred stock is stock the dividends on which, if not paid regularly or in full, accumulate and must be paid in the future before a dividend can be paid on the common stock. Preferred stock may be divided into classes, as first preference, second preference, etc., with right to dividends in the order named. In England there is also what is sometimes known as preferred ordinary stock which receives a dividend at a fixed rate before any payments can be made on a deferred ordinary stock.

Common stock is distinguished from preferred stock in that it has no preference as to dividends or assets. When a corporation has an issue of preferred stock it is, of course, necessary to give the ordinary stock the title of common. If, however, there is no issue of preferred or other stock outstanding then the ordinary stock is not referred to as common but is simply known as plain capital stock. The usual rule is that common stock has voting power where preferred has not.

A participating preferred stock is sometimes issued in which the dividend increases proportionately with a common dividend when the latter passes the preferred. That is, a 7 per cent. preferred dividend would become an 8 per cent. dividend in the event of the common dividend being raised to 8 per cent.

CANADIAN NORTHERN

Enquirer, Thetford Mines.—I should be very grateful if you would give us some information regarding the Canadian Northern Railway 5 per cent. convertible income charge debentures. These debentures are drawn in sterling and mature in 1930. Is payment of these debentures guaranteed by the Canadian Government? The interest has not been paid since 1914. What are the prospects of this interest being paid? What is the present market value, and through what channels could they be disposed of?

Neither the principal nor the interest of the Canadian Northern Railway Company 5 per cent. income charge convertible debenture stock is guaranteed by the government of the Dominion of Canada. The Canadian Northern Railway Co. which forms a part of the Canadian National Railways is controlled by the Dominion Government by ownership of the majority of the shares of capital stock of the company.

Since the last half of the year 1914, the net earnings of the Canadian Northern have been insufficient to enable the company to declare any interest payable on the above stock. This interest is payable only to the extent that the net earnings arising from the operation of the railway company in each half-year are sufficient to pay the same after providing for all operating expenses not charged to capital and fixed charges of the company.

It is impossible to say what the future has in store in the way of resuming payment of interest on this stock between now and the date of maturity, May 6, 1930. The latest quotation available on the London stock exchange is 32¾. The market for this security in Canada is a narrow one. We would advise you to consult any reputable financial house for information as to the best means of disposing of your holdings.

The American Experiment In Limiting Immigration

Canada is Advised Not to Follow in the Course Adopted By the United States Regarding Restrictions

By AGNES C. LAUT.

I hope Canada will not follow the United States' policy of limiting immigration.

The bill as passed by the House will limit immigration to the United States to 355,461 people a year, that is 3 per cent. of each alien nationality in the country now. The measure is only a make-shift to run to June 30, 1922, for the purpose of barring out the nondescript hordes of seniles, aged, diseased, maimed and poverty-stricken, who were preparing to rush from the war devastated areas of Armenia, Russia, Austria, Italy, Germany, Poland. In other words, these countries were preparing to unload the wrecks and derelicts of their own war folly on relatives in the United States, for the United States to feed, clothe and support. Able-bodied, or people with means, were being restrained by their governments under plea of military service from leaving home ports. On the assumption that Uncle Sam's charity was boundless and his simplicity dense, the useless and diseased were being herded to ports of debarkation for shipment to the United States.

As the preponderating number of aliens already here stand Germans first, Austrians and Italians and Russians next, the 3 per cent. limitation will simply admit more of these classes than of the more stable Norwegians, Swedes, Swiss, British. And it is from the former that the more dangerous, communistic, anarchistic classes were coming, chiefly factory hands, not farm laborers.

But if Canada does not erect a like barrier, will not these undesirables now flock to Canada? They will not, and for these reasons:

Climate first, for which praise God. Diseased, disabled, aged, and orphans are not coming to a climate which enacts that only the fit can survive.

Agriculture second. These are the poor factory derelicts of the European ghetto and gutter. They do not want and could not stand toil in the open.

Third, their relatives are not in Canada to receive them; and though our boys fought like demons in the war, it is questionable if the most of these people, who can neither read nor write, ever heard of Canada, except as an annex of the North Pole, where people drink icicles and eat walrus roasts.

While the regulations are going to admit a preponderance of the very classes—largely of German origin paid to do propaganda work—who advocate the revolutionary overthrow of all government, they are going to bar out a multitude of the very classes Canada needs most. Among the Russian and Armenian emigrants are hosts of the best, toughest, hardworking farmers in the world, eager to fly from the tyranny of the Bolshevik. Their living conditions are not ours, but their children's will be; and they work as Canadians fought, like demons. They can live for the first year on a tenth it would cost to sustain a Canadian family and what they make they save and reinvest; and they are fleeing revolutions and are sick to the soul of the disasters the Red creed has wrought. Canada needs these people on her vacant farm lands and on her bush lands. Our laws already exclude the diseased and the vicious. Let the others come to develop our dormant lands; and leave it to the schools to transform the second generation into Canadians—as they are doing from Peace River to the hinterlands of Northern Ontario. What other settlers regard as hardships justifying an eternal grouch, they will regard as a haven of refuge from a Red regime of loot and horror.

MESSAGES THAT WERE NEVER DELIVERED

The following interesting special cable apeared in a recent issue of the New York Herald:

> French diplomatic circles are excited over a printed statement here that Count de Chambrun, while Charge d'Affaires at Washington, sent a warning from certain Republican Senators that they were not satisfied with Mr. Wilson's negotiations in Paris, but Georges Clemenceau, former Premier, in an interview with the correspondent of the "Eclair," denies having received such a warning, remarking that even if he had he would not have paid any attention to it inasmuch as President Wilson was recognized as the American plenipotentiary to the peace conference.
>
> Stephen Lauzanne, while accompanying Rene Viviani on his recent trip to the United States, says he obtained confirmation that Count de Chambrun had received the warning of the Senators to be forwarded to Paris.
>
> "But I do not recall ever having received it," the "Tiger" insists. "Surely anything as unusual as that would have impressed itself on my memory. Besides, what importance did it have? For surely if any political group, Belgian, British, Italian or American, had sent such a notification, my first act would have been to ask why it was sent to me instead of to their own plenary representative, inasmuch as it was a question of home politics in which France could not take part."
>
> M. Clemenceau has suggested that Andre Tardieu may be able to explain the matter, but personally he does not attach weight to it, despite the fact that certain papers are clamoring for a parliamentary investigation of his culpability in not informing the Government that Mr. Wilson was not backed by his own people.

It is quite probable that Clemenceau did not receive the cable referred to and more than that it got lost passing through Canada. We are under the impression that reference was made to this matter in one of the many war articles appearing in MacLean's Magazine and The Financial Post at the time it occurred. Many prominent Americans, suspicious of President Wilson and the influences that were at work upon him—without his realizing it—sent cables to representative Frenchmen pointing this out. Not being able to trust the American cables they were taken by messenger to Montreal and sent over Canadian lines. But strange to say, they were not delivered. Canadian or British censorship influence, the latter we have reason to believe, prevented their delivery.

RSC INVESTMENT-SERVICE

Canada's Railway Problem—its Solution

The $70,000,000 deficit for 1920 in the operation of their National Railways has brought home to Canadians the extreme gravity of the Railway Problem.

In May *Investment Items* an interesting solution is suggested.

It proposes to relieve the Grand Trunk of the Grand Trunk Pacific, provide the parent road with adequate working capital and put it under control of the best group of Canadian business men that can be found. It suggests amalgamation of the Canadian National Railways with the Canadian Pacific Railway, to give the former the benefit of the latter's expert executive direction

The terms of such a combination are suggested on a basis equitable to both the Dominion Government and shareholders of the Canadian Pacific.

The Number should be read by every Canadian business man. A postal will bring you a copy.

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Monthly Bulletin

describes in non-technical language the present situation. The ratio of gold reserves to note issues; the increase or decrease in current loans; changing interest rates; varying commodity prices, speculation, etc.—all have a direct interest for each investor. The information contained in this bulletin will enable you to see ahead.

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A short history and description of the Northern Pacific Railway Company, the Chicago, Burlington and Quincy Railroad Company and the Great Northern Railway Company.

Our United States correspondents have prepared a concise, interesting and timely pamphlet which we shall be glad to send to investors upon request.

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NEWFOUNDLAND SELLS ISSUE IN NEW YORK

To Amount of $4,500,000—Revenue for Railway Equipment

An issue amounting to $4,500,000 has been sold by the government of Newfoundland to the financial houses of Dillon, Read & Co., Lee, Higginson & Co. and the Dominion Securities Corp. The bonds are for a period of fifteen years, and bear interest at the rate of 6½ per cent. The principal and interest of this issue are payable in United States funds, and the bonds are exempt from all present and future taxation, including any income tax imposed by the government of Newfoundland. The bonds have been offered at 93⅝ to yield over 7.20 per cent. The proceeds are to be used for railway improvements and extensions, for other public works and for naval and military expenses.

ETOBICOKE TP. SELLS BONDS

The issue of $45,000 by the township of Etobicoke was sold to Mackay & Mackay at 96.18 or on a cost basis of 6.40 per cent. The bonds bear interest at 6 per cent. and are repayable in thirty annual instalments. Bids were received as follows:

MacKay & MacKay	96.18
A. E. Ames & Co.	95.71
R. C. Matthews & Co.	95.22
C. H. Burgess	95.176

UNIVERSITY OF ALBERTA

Debenture Issues Made to a Total of $3,550,000

From Our Own Correspondent.

EDMONTON.—A statement of the financing of the University of Alberta, recently made by Hon. G. P. Smith, Minister of Education, indicates that the provincial university has been planned and developed thus far on a rather large scale, with a generous allowance for it from the public funds. The total capital expenditure on the institution to date has been $3,174,000, and maintenance for the twelve years it has been in existence has added $1,745,000.

The total debenture issues of the university have amounted to $3,550,000. Eight sales have been made, netting proceeds of $3,380,000. The most recent sales have been to Minneapolis buyers, yielding 6 and 6.15 per cent. The university conducts its own bond sales, the provincial government guaranteeing the debentures and ratifying the transactions of the university board.

LETHBRIDE IRRIGATION

The Lethbridge Northern Irrigation District is calling for tenders on a $2,400,000 issue of thirty-year 6 per cent. gold debentures. Tenders will close twelve o'clock noon on May 26 next. The debentures, which are payable in New York, are guaranteed by the province of Alberta.

NEWS OF THE BOND MARKET

LOAN COMPANIES WANT EFFICIENT MUNICIPALITIES

Good Business Methods Necessary to Sustain Civic Credit

LIVE MEN NEEDED

Salaries Should Be Paid to Secure Capable Officials to Insure Well Conducted Communities

From Our Own Correspondent.

WINNIPEG.—Assuming the role of doctor to sick and ailing communities, the Canada Mortgage Loan Association, in convention here during the past week, debated the situation, with a view to applying the corrective measures, W. E. Long, Toronto, of the Credit Foncier Franco-Canadien, expressing the opinion that "Canada is now faced with some of the more serious consequences of credit expansion and the expenditure of capital and labor on undertakings which do not yield wealth normally."

In the report of the Municipal Finance Committee reference was made to defaulting municipalities, particularly in the West. Debenture holders face rather large losses in Alberta and Saskatchewan. In Manitoba, Ontario and Quebec the provincial municipal departments by intervening have effected adjustments that have averted losses to debenture holders. The situation in Saskatchewan is still regarded as grave. In the broad outline given to the convention it was emphasized that municipal defaults in Canada were primarily brought about by excessive public works that brought in turn overly expensive operation and maintenance charges.

The Municipal Finance Committee's report related that twelve municipalities in Alberta and Saskatchewan had a funded debt of $4,513,000 on which arrears amounted to $265,800 or 6 per cent. Seven in default at present have a funded debt of $3,485,000 on which $377,700 or 10.8 per cent. is overdue.

The report stated that the Manitoba Government has taken a direct interest in adjusting the financial difficulties in the financial administration of municipalities. In some municipalities, because of curtailment of bank credits, and poor tax collections, inability to pay bond interest is likely to arise, but special Government provision is likely to be made to meet the situation.

Employ Expert Auditors

E. M. Saunders, Toronto, honorary president of the association, dealing with remedies which might be used to change the unhappy position of many municipalities, declared that all financial statements should be checked by expert auditors. When trouble appeared imminent he considered that the provincial governments should send trained accountants to investigate the local situation. The Municipal Act, in his opinion, should provide better protection for investors when it became apparent that a municipality was involved.

Probably not directly bearing on the problem of defaulting communities but nevertheless associated with the fundamentals of the problem was the address of Dr. H. L. Brittain, Toronto, director of the Citizen Research Institute of Canada. From the viewpoint of "Citizen Co-operation in Government" Dr. Brittain stressed the individual citizen's responsibilities in his home community.

As for governmental expenditures he maintained that many expenditures termed "capital" really belong to current account. "I know of one province," he said, "that charged large amounts of interest that were paid out of funds into which borrowed moneys were placed. That is not only misleading—it is decidedly immoral. It is practical robbery because if that money had been paid out of current funds other expenditures would have been impossible and debt charges would not be piled up as a loss and earning powers of succeeding generations mortgaged."

Dr. Brittain held public opinion accountable for "penny wise and pound foolish" policies of many governing bodies. For instance, as he instanced, "many people nearly fainted with horror when the city of Toronto paid Thomas Bradshaw $15,000 yearly, but Mr. Bradshaw saved his salary to the city twice over in the first month and saved the city many millions of dollars during his tenure of office. Just so long as Canadians look with horror on paying decent salaries, just so long will they be 'cutting off their noses to spite their faces.'"

SPENT THEIR SINKING FUND

Some years ago while authorities of a small Canadian city were busy striking their tax rate they came upon $50,000 of surplus funds. None of the aldermen knew where the money had come from and they appealed to the city officials. There was a surplus of $50,000 on the previous year's operations of the city, was the only explanation they could give.

Overjoyed, the aldermen applied the $50,000 on current expenses and were able to re-strike a 14-mill tax rate for the city, which was advertised throughout the country.

Before the next year came around, it was found that in drawing up the balance sheet it had been forgotten to write in the sinking fund as a liability.

The city tax rate the next year was different, yet that city still has a reputation as a public ownership success because of the rate in that one year.

A. E. AMES & CO. BUYS TP. OF YORK ISSUE

At Sale Price of 96.69 Township Borrows on 6.71% Basis

A. E. Ames & Co. submitted the highest and successful tender this week on a bond issue for $210,652 by the township of York. At the accepted bid of 96.69 the township is borrowing on a basis of 6.71 per cent. The issue bears interest at 6 per cent. and is repayable in ten instalments. The money will be used chiefly for sidewalks. The bids were as follows:

A. E. Ames & Co.	96.69
United Financial Corp.	96.58
Dominion Securities Corp.	96,293
Wood, Gundy & Co.	96.18
R. C. Matthews & Co.	96.07
C. H. Burgess & Co.	95.71
A. Jarvis & Co.	95.21

KEEN-BIDDING ON PETERBOROUGH ISSUE

Successful Bid Submitted by Wood, Gundy & Co.—Many Tenders

The sale of an issue of $230,000 of debentures was completed this week by the city of Peterborough, the highest tender being submitted by the firm of Wood, Gundy & Co. Bids were called on two blocks, making up the above total, one for $100,000, 6¼ per cent., and the other for $130,000 at 6½ per cent., both twenty-year, straight term. The accepted bids of 99.717 on the smaller block and 102.572 on the larger, submitted by Wood, Gundy & Co., averaged 101.33 and on this basis the city pays 6.27 per cent. for the money. Some sixteen tenders in all were submitted and the bidding was unusually keen. The proceeds of the sale of the issue will be used for the completion of a bridge. The following were the bids received:

	$100,000	$130,000
Wood, Gundy & Co.	99.717	102.572
C. H. Burgess & Co.	101.222	101.222
Harris, Forbes & Co.	99.479	102.309
National City Co.	99.37	102.20
McLeod, Young, Weir & Co.	100.83	100.83
Dyment, Anderson & Co.	99.09	101.43
R. C. Matthews & Co.	100.28	100.28
United Financial Corp.	100.137	100.137
Brent, Noxon & Co.	100.08	100.08
Housser, Wood & Co.	99.82	100.174
E. Cronyn & Co.	98.18	101.32
A. E. Ames & Co.	98.96	100.69
Nesbitt, Thompson & Co.	98.271	101.051
Dom. Securities Corp.	98.51	100.63
MacKay & MacKay	98.00	100.00
W. A. MacKenzie & Co.	97.82	97.82

CITY OF BRANDON SCHOOLS

The firm of A. E. Ames & Co. has secured through private purchase the $50,000 issue of the city of Brandon schools. The cost to the municipality will be slightly more than 6½ per cent.

ATHABASCA FINANCES ARE BEING UNTANGLED

Alberta Govt. Assumes Measure of Responsibility—Bondholders Must Compromise

From Our Own Correspondent.

EDMONTON. — A straightening out of the financial tangle into which the town of Athabasca has fallen is somewhat more probable now that the Alberta government has assumed a measure of responsibility. Under the terms of the legislation passed at the recent session, the government may advance to the official administrator of any municipality in financial difficulties a sum, not exceeding $20,000 in any one year, with which to meet the municipal liabilities, taking such securities therefor as may be available.

The bondholders will, however, be expected to compromise the rate of interest. In the case of the Athabasca situation, it is understood that negotiations on that basis are now pending, and when an agreement is reached the provincial treasury will furnish funds with which to pay the overdue charges. The town's debenture indebtedness is $165,000, incurred some years ago for waterworks and other improvements during a boom-time that afterwards collapsed.

Meanwhile the government has appointed an administrator of the town in the person of P. F. Butchart. The mayor and town council resigned in a body some time ago, finding it impossible to carry on with the burden of debt, and the official administrator is now empowered to transact the town's business in lieu of the council, until such time as conditions have improved sufficiently to permit of another council election. As between the administrator, representing the town, and the bondholders, the government's Municipality Finance Commission takes an intermediary part in the negotiations now pending.

DOMINION SECURITIES SECURES SARNIA ISSUE

Money To Be Used in Connection With Local Improvements

Tenders were called this week on an issue for $189,434 by the city of Sarnia The issue was divided into three blocks, $65,180 for ten years at 6 per cent., $86,147 for ten years at 6½ per cent. and $38,107 for five years at 6½ per cent. The proceeds of the sale of the two larger blocks will be used in financing the construction of pavements, and the smaller in connection with sewers. The successful tender was submitted by the Dominion Securities Corp. at 97.469 for the complete issue. The bids are as follows:

Dominion Securities Corp	97.469
R. C. Matthews & Co.	97.34
Wood, Gundy & Co.	96.62
C. H. Burgess & Co.	96.507

EDMONTON ISSUE

$2,500,000 to be Offered by Wood, Gundy.

An issue of $2,500,000 of City of Edmonton 7 per cent. twenty-year bonds will be made early next week by Wood, Gundy & Company. The prices is not yet available.

Edmonton's position has been materially strengthened by capable financing and management and reports indicate the sinking fund as it stands at present is not only higher in proportion of total debt than the great majority of Canadian cities, but per capita is higher even than the largest cities of the East.

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due Year.	Yield.	Range 1921 High.	Range 1921 Low	Latest price week end. May 17. Ask	Bid	High	Low	Sales
Asbestos	5	1942	7.04	80	77	..	..	77½	..	$ 500
Bell Telephone	5	1925	6.96	93½	91¼	93	92	92½	..	500
Can Bread	6	1941	7.52	86	83	85	83	84	..	5,000
Can. Car	6	1939	6.96	90	88	..	89	90	..	2,000
Can. Cement	6	1929	7.15	94	91½	..	92	92¾	....	1,000
Can. Cottons	5	1940	7.11	79	78	..	78	78	..	1,000
Cons. Rubber	6	1946	7.02	90	86	..	88	88	..	3,000
Can. S. S. (debs)	5	1943	8.14	71	65	68	..	67	..	1,000
Cedar Rapids	5	1953	5.77	89¾	86⅛	..	88	88¾	88⅛	18,000
Dom. Canners	6	1940	7.37	90	86	..	86	86	..	1,000
Dom. Iron	5	1929	8.60	82	75	78¾	78	79⅞	78	10,700
Dom. Cotton	6	1922	7.79	98	96	..	97	98	97½	4,000
Dom. Textile (B)	6	1925	6.51	98	92	..	94⅛	98	..	25,000
Do., (C)	6	1925	7.55	94⅛	90	..	94⅛	94⅛	94	2,500
Kaministiquia	5	1937	7.06	80	..	..	..	80	..	1,500
Montreal Dec. '22	6	1922	2.40	108	96½	..	107¼	107	104	6,100
Do., May '23	6	1923	3.25	108	103	..	106⅛	105	..	1,000
Ogilvie (B)	6	1932	6.47	96	..	..	96	96	..	9.000
Penmans	5	1926	7.80	87½	85	..	87	87¼	..	500
Porto Rico	5	1936	8.04	73	70	..	70	73	..	1,000
Quebec Rly	5	1939	8.92	68	59	..	62	63	62	8,100
Price	5	1940	6.56	84	78	84	..	83½	83	8,800
Wayagamack	6	1951	8.12	87¼	75	..	75	76	..	3,000
War Loan (1925)	5	1925	6.27	95.75	92.00	95.00	94.95	95.10	94.50	45,100
Do., (1931)	5	1931	5.92	95.25	90.75	93.25	93.00	93.15	92.50	24,150
Do., (1937)	5	1937	5.31	98.50	94.50	96.90	96.65	96.75	96.25	53,100
Victory (1922)	5½	1922	6.10	99.25	96.62	99.20	99.10	99.10	98.25	436,450
Do., (1923)	5½	1923	6.31	99.00	95.50	98.15	98.10	98.25	97.70	293,850
Do., (1924)	5½	1924	6.56	98.50	94.25	96.75	95.65	97.00	96.00	131,692
Do., (1927)	5½	1927	5.85	99.12	95.25	98.15	98.00	98.50	97.50	30,550
Do., (1933)	5½	1933	5.81	99.00	95.12	97.35	97.30	97.50	96.75	710,300
Do., (1934)	5½	1934	6.04	96.12	92.25	95.00	94.95	95.95	94.75	600,450
Do., (9137)	5½	1937	5.58	100.50	96.50	99.25	99.20	99.50	99.00	416,750

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WESTERN MUNICIPALITIES

A Council for Western Provinces Being Considered

From Our Own Correspondent.

REGINA.—Six representatives of the urban centers of Saskatchewan from which the provincial government will be asked to select two to serve on the Taxation Equalization Commission have been chosen by the executive of the Union of Saskatchewan Municipalities.

The union has been discussing the question of the formation of a Council of Municipalities for Western Canada. Decision will be withheld until the proposal has been considered at the annual convention to be held in Prince Albert, Sask., next month.

BOND DEALERS' ASSOCIATION

To Meet in Toronto June 9, 10 and 11

The Bond Dealers' Association of Canada will meet in Toronto for a three-day session on June 9, 10 and 11 and will be attended by representatives from all parts of Canada. The business of the session will be concluded on the opening day, and on the morning of June 10 the members will be the guests of the Toronto Board of Harbor Commissioners and will make a tour of Toronto harbor. The balance of the sessions will be devoted largely to matters of entertainment and recreation. It is understood that several important matters will come up for discussion, although the programme has not yet been finally arranged.

NIAGARA FALLS POWER CO.

Sells $6,000,000 Bond Issue to American Syndicate

The Niagara Falls Power Co., which owns and operates all hydro-electric power plants on the American side at Niagara Falls, and controls the power plant on the Canadian side, owned and operated by the Canadian Niagara Power Co., has sold $6,000,000 of its first and consolidation mortgage series AA, 6 per cent. gold bonds to a syndicate composed of Spencer Trask & Co., E. H. Rollins & Sons and Schoelkopf, Hutton & Pomeroy, Inc. Part of the proceeds of the sale of the bonds will be used in the construction of a new tunnel from the Niagara River, adjacent to Port Day.

BRANT TO ISSUE DEBENTURES

The Brant county council has decided to place debentures to the amount of $65,000 on the local market, the proceeds to be used in connection with county road work. The assessed valuation of the county is placed at $14,119,911.

HAVE NO KNOWLEDGE OF SALE

The reported sale of a $14,000 issue of Lulu Island Dyking District bonds to the Toronto firm of R. C. Matthews & Co. is stated to be without foundation by the firm in question, which intimates that it had not entered a bid for the issue.

CIVIC AND PROVINCIAL FINANCE

MONTREAL CHOOSES COUNCIL SYSTEM OF 35 MEMBERS

Defeated Practical Commission Form With City Manager

EXECUTIVE IN CHARGE

Formed of Five Members Much Like a Cabinet—Elected For 2 Years—Hugs Majority

From Our Own Correspondent.

MONTREAL.—The champions of "aldermanic and ward rule" won out decisively in the referendum campaign to settle the form of government of the city of Montreal this week, as schedule "B" received 44,654 votes as compared with 26,054 for schedule "A." The latter was drawn up by a special commission that had worked for nearly a year, while "B" was suggested before the Quebec legislature by the mayor and a majority of the aldermen who opposed the commission's plan. Sir Hormisdas Laporte, who had been chairman of the commission, charged against Mayor Martin a racial campaign, while the latter in rejoicing at the victory declared that it represented the destruction of an "autocratic" administration, referring to the Civic Commission under E. R. Decary that had governed the city for the past three years and greatly lessened the authority of the mayor and aldermen.

The adoption of "B" schedule provides the city with a council of thirty-five members and a mayor, the aldermen being elected one from each of thirty-five wards. The other plan represented more a commission form of government with only three wards and five members elected from each, or fifteen in all. Another crucial point was the defeat of a city manager system, and its replacement by a "Director of Departments" with much lessened powers.

Executive of Five

A feature of the new plan will be the choice of an executive of five members, the mayor not being eligible, who would have a measure of control and be responsible to the majority much after the plan of a cabinet, except that the mayor will not be a member. Indeed, this plan, as the other, makes the mayor's position a good deal of an ornamental one. The reports of the executive can be mended only by a majority vote of the whole council so that if the five agreed it would take nineteen members to overthrow their recommendations. Where the city manager had control over the various heads of departments even to dismissal under the other plan, the one adopted leaves this with the executive committee—appointment, suspension or dismissal. An exception is made in the case of four groups, the city clerk, the chief city attorney, the city comptroller and the assessors, who are under the control of council direct.

There will be six administrative departments. The problem of civic employees will be solved by the appointment of a Municipal Service Commission composed of the heads of departments and a representative of the civic employees, chosen by themselves from their own number. Other appointments to be made are a Technical Commission and a Purchasing and Sales Bureau, the latter under the control of the city treasurer.

The mayor will have a right to vote in council only in the event of a tie, but the members of the executive committee will have voting rights. The director of departments will have the right to take part at meetings of the executive but will have no right to vote.

The duties of the executive committee, which may in time evolve into a sort of board of control, will be to prepare and submit the annual budget; demands for appropriations of the proceeds of loans or any others; transfer of funds already voted; reports on taxes and license fees to be imposed; every report recommending the granting of franchises or privileges; reports on sales, leases, etc., of properties; drafts of by-laws, etc.

Men in Municipal Finance in Canada

W. D. L. HARDIE

Mayor and Finance Commissioner, Lethbridge

As a long distance mayor, W. D. L. Hardie, of Lethbridge, is establishing records. He was elected mayor of the wheat and coal town in 1912 and is still running the city.

Lethbridge has a civic habit of presenting each new mayor with a carved oak, leather upholstered chair of a dignity that would grace the British House of Lords. And when each mayor is in turn defeated and retires in favor of a new man he is allowed to take his chair home with him and park it in the front parlor. But when Mr. Hardie began to be re-elected to his office so often he began to worry lest his chair should be all worn out before he could retire in honor to the quiet seclusion of home life. He hunted around all the pawnshops in Lethbridge and sure enough he found a chair that had been presented to a former mayor. He took it out of hock and uses it in his office. Its glory enshrines him and he doesn't worry if the leather wears out for he still has his own chair to take home with him in the far distant future when at last he gives up the first magistrate's office in Lethbridge.

Hardie is a man with a hobby. He has studied astrology and when he takes a particular liking to any person he learns the date and hour of that person's birth. He then presents him with a 50 or 60 page document outlining all his past life and characteristics and forecasting much of his future.

Perhaps it would be more correct to say he is a man with two hobbies. He is the foremost exponent in Canada of "Home Rule," not of the Irish variety, but "Home Rule for municipalities." He believes towns and cities are big enough to run their own affairs and would like to see the provinces keep their fingers out of the civic pie.

Money By-Laws

TENDERS WANTED

June 6, Saskatoon.—$190,300 6 per cent., 15 and 30-years; $13,700, 5 per cent., 30-years. Andrew Leslie, City Commissioner, Saskatoon.

May 25, Brooks, Alta.—$37,000, 30-yr., school debentures. E. Harding, Secretary-Treasurer, Brooks, Alta.

May 28, Township of Pelee, Ont. —$5,744, 6 per cent., 20-instal. drainage debentures. William Stewart, Township Clerk.

May 25, Pembroke.—$80,324, 6%, 10, 20 and 30-year debentures. S. L. Biggs, Clerk-Treasurer, Pembroke. (See announcement on page 16).

June 1, Toronto—$5,000,000, 6% serial bonds. Geo. H. Ross, Commissioner of Finance, Toronto. (See announcement on page 16).

June 11, Vermilion, Alta.—$10,000, 7 per cent., 20-instal. debentures. D. Taylor, Sec.-Treasurer, Vermilion.

June 7, Westbourne R. M., Man.—$60,000, 6%, 30-instal. debentures. A. M. McGregor, Sec.-Treasurer.

June 1, Alameda, Sask.—$6,500, 8%, 10-year rink debentures. T. R. Truscott, Town Clerk. (See announcement on page 16).

BY-LAWS PASSED OR DEFEATED

Fort Garry, Man.—$25,00 for purpose of erecting schools. Passed by the ratepayers on May 9.

BY-LAWS TO BE VOTED ON

Fort Garry, Man.—$25,000 for purpose skating rink.

DEBENTURE NOTES

Toronto.—The City Council has authorized the following issues of debentures: $554,000 in connection with harbor works; $148,000 for revenue water mains; $150,000 grant to the National Sanitarium Association; $424,000 to provide funds for the erection of reception hospital; $62,000 for construction of buildings for street cleaning department; $42,000 for erection of fire hall at Ashbridge's Bay.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from April 30th to May 7th, 1921:

School Districts—Danzig, $5,500; Kuroki, $12,200; Rosebrae, $4,000; Florentine, $4,000; Tailman, $1,150; Trafalgar, $3,500; Halich, $2,000; Crooked Valley, $2,000; Dartmore, $3,000; Drumague, $5,500; Lily Vale, $1,600; Elstow, $14,900; Eastman, $4,000; Summerside, $5,000; Willow Springs, $1,800; Flett's Springs, $5,700; Loverna, $7,000; Regina Beach, $13,500; Hague, $12,000; Boyer, $5,000.

Rural Municipalities. — Cut Knife, $3,000.

Cities—City of Regina—$14,000; $33,448; $16,271.

The following is a list of debentures reported sold from April 30th to May 7th, 1921:

School Districts—Craik, No. 891, $33,500, 20 years, 7½ per cent., Regina Sinking Funds, Trustees; Ceylon, No. 351, $1,500, 10 years, 8 per cent., H. McIllrath, Gunnell, Iowa; Allindale No. 846, $1,000, 20 years, 7½ per cent., Miss H. Glover, Regina; Allindale No. 846, $1,700, 20 years, 7½ per cent., Grand Lodge, A. F. & A. M., Sask.

Rural Telephones.—Star City, $2,000, 15 years, 8 per cent., C. C. Cross & Co., Regina.

SINGLE TAXERS HOLD UP CALGARY'S TAX

Would Have Contributed $100,000 in Small Lots to Revenue of the City

From Our Own Correspondent.

CALGARY.—Civic officials and others who are supporting the minimum service tax, authorized at the last session of the provincial legislature, are having great difficulty in getting the tax on the books of the city. The tax, which was aimed to touch people who do not contribute directly to the revenues of the city in other ways, but which in practice would take from $5 to $25 from every citizen acording to his income, has been fought very hard, especially by the labor unions and the single tax element. Calgary has the initiative and referendum system in its city charter and as it only takes about 800 signatures to hold up any legislation it was not a difficult matter for the opponents of the tax to have it held over.

The tax would have been very nominal individually compared to civic income taxes in Eastern cities, but would have added $100,000 to the civic revenue. With a sinking fund shortage of very great proportions and heavy tax arrears, civic officials would have welcomed the new taxation, but it will be some time before it can be brought into effect as the opposition to it is very strong.

SPECIAL BILL FOR TOWN OF GLACE BAY

Empowers Collection of Poll Tax From Residents, Not Ratepayers

From Our Own Correspondent.

HALIFAX.—To obviate the difficulty that has existed in the town of Glace Bay, the scene of the Dominion Coal Company's chief operations, a bill has been put through the legislature ordering every person, firm or corporation employing one or more persons who are not ratepayers, between the ages of 18 and 60 years, to deduct the amount of the poll tax from their wages and pay it to the town. Such collections may extend over a period of eight months, but it is provided that in the case of any employee quitting within those dates that the amount due must be deducted from his final payment whether for town or school taxes, and that no employee shall thus be finally paid off until the town clerk has first been notified.

RENFREW COUNTY ISSUE

Sold to R. C. Matthews & Co. on Cost Basis of 6.40 Per Cent.

Renfrew county has sold an issue of $250,000 twenty-year 6 per cent. bonds to the firm of R. C. Matthews & Co. At the sale price of 96.81 the money is costing the county approximately 6.40 per cent. The proceeds of the sale will be used in connection with the roads of the county. The bids are as follows:

R. C. Matthews & Co.	96.81
United Financial Corp.	96.715
A. E. Ames & Co.	96.56
Wood, Gundy & Co.	95.84
National City Co.	95.81
C. H. Burgess & Co.	95.54
Dominion Securities Corp.	95.254

MANITOBA TO ENTER MARKET

Reported Western Province Will Float $2,000,000 Issue

It is understood in financial circles that the province of Manitoba will enter the market shortly for additional revenue. While the details of the new financing have not yet been officially arranged it is reported that an issue of $2,000,000 6 per cent. bonds will be floated for which optional bids will be required either on a five- or ten-year basis, funds payable in New York, or an alternative bid on a twenty-year term, funds pay-

MEDICINE HAT SELLS BONDS

Aemilius Jarvis & Co. have purchased through private sale a $40,000 bond issue of the city of Medicine Hat. The bonds bear interest at 6 per cent. and are payable in New York. At the purchase price of 87.83 the cost basis is 7.15 per cent.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place.	Sold to	Rate.	Term.	Amount.	Price.	Basis.
May 18.	Sarnia	Dominion Securities Corp	6%	10-yr.	$65,180	.....	...
			6½%	10-yr.	86,147	.....	...
			6½-6%	5-yr.	38,107	97.469	...
May 17.	York Township	A. E. Ames & Co.	6%	10-ins.	210,652	96.69	6.71
May 17.	Renfrew County	R. C. Matthews & Co.	6%	20-yr.	250,000	96.81	6.40
May 16.	Etobicoke Township	MacKay & MacKay	6%	30-ins.	45,000	96.18	6.40
May 12.	City of Brandon Schools	A. E. Ames & Co.			50,000	.....	6.5
May 17.	Medicine Hat	A. Jarvis & Co.	6%	......	40,000	87.83	7.15
May 17.	Prescott & Russell	R. C. Matthews & Co.	6%	20-ins.	200,000	.....	...
May 16.	Peterborough	Wood, Gundy & Co.	6¼%	20-yr.	100,000	.....	...
			6½%	20-yr.	130,000	99.717	6.27

The Sign of Conscientious Service
If you have not yet decided on the securities for the reinvestment of your May funds, we will be pleased to make a careful analysis of your requirements and suggest suitable investments, sound, safe, and returning a higher than usual interest rate.
Let us serve you.
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INVESTMENT BANKERS
12 King St. East, Toronto

The Pulp and Paper Industry is now Canada's largest manufacturing export industry.
The Brompton Pulp & Paper Co., Limited, is one of the oldest and most conservative companies engaged in this industry.
Send for circular describing the attractive issue of 20-year, 8% bonds being offered at 99 and interest.
R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO

Dependable Investments
McKAY-McKAY
Government & Municipal
BONDS.
C.P.R. BUILDING - TORONTO

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A Good Bond
Investors who appreciate the value of an 8% Paper Bond with the possibilities of substantial profit which its Convertible feature offers should investigate
Brompton Pulp & Paper Co.
LIMITED
8% Convertible Mortgage Bonds
at 99 and Accrued Interest
Yield 8.10%
These Bonds are exchangeable any time up to 1981 on basis of 2 shares Common Stock for every $100 par value of Bonds. Brompton Common is now on a $4 per share dividend basis, is selling on open market around $36 per share and has sold as high as $85.
So that the speculative value of the Convertible feature is very apparent.
May we send you descriptive circular?
HANSON BROS.
Investment Securities
160 St. James St. Montreal
63 Sparks St. Ottawa

International Institute of Agriculture at Rome says world's stocks of wheat and rye are sufficient for all requirements until January 1, 1922, with a margin of 1,400,000 tons at least.

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1871 - 1921
FIFTY YEARS OF SERVICE
Sun Life Assurance Company of Canada
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Canada's *Zenith* Company
Autherized Capital - $500,000.00
WINNIPEG, MANITOBA
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FIRE AND MARINE
Automobile - Plate Glass - Live Stock
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Automobile Insurance
Lowest Rates
Non-tariff
BEST SERVICE QUICKEST ADJUSTMENTS
Agencies in Provinces of Ontario, Quebec, Maritime Wanted.
R. C. SANBORN, GEN. AGENT, Eastern Canada
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FIRE INSURANCE COMPANY
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Canadian—Strong—Progressive
General Fire Insurance Business Transacted
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Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
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THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

THE MUTUAL OF CANADA DAY BY DAY
During the year 1920 the average payments in benefits of different kinds to beneficiaries and policyholders amounted to $11,500 FOR EVERY WORKING DAY throughout the year, a total of $3,492,830. Every year the payments have increased, the total made since the establishment of the company being over thirty-three millions. The funds in hand to guarantee future payments amount to forty-two millions—so that the company has either paid or holds in trust more than $75,000,000. This total exceeds the premium income by eight millions. These figures show that the Mutual Life of Canada is making good on all contracts entered into in past years. It is not only "making good," it is "making better" for the profits alone actually paid during the years since establishment amount to eight millions of dollars, a record of economy and service of which any life office might justly be proud.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONYN, M.P., President - - - CHARLES RUBY, General Manager

A BOND FOR $100
$100 or more invested in a "Canada Permanent" Bond for ONE YEAR will earn interest at FIVE PER CENT. per annum payable half-yearly. A higher rate is paid on longer term investments. Interest begins the day the money is received and the Bond will be made to become due on any date the investor desires.
The Bonds are issued in small sums and for short terms to enable those of moderate means to obtain a high-grade security yielding a fair return and still have their funds available within a reasonable time. Small amounts should not be allowed to remain idle when they can be employed to such good advantage as by investing them in these Bonds.
The Corporation has been issuing these Bonds for nearly half a century. They are a first charge against its assets, which amount to over $33,000,000.
Canada Permanent Mortgage Corporation
Established 1855
4-18 Toronto Street Toronto

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
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Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

INSURANCE AND REAL ESTATE

LIFE INSURANCE AND SOME OF ITS ECONOMIC ASPECTS

Through Accumulated Premiums Way Prepared for Greater Production

SYSTEM OF CREDIT

State Control of Life Insurance Companies and Government Regulations for Supervising Their Operations

By PROF. R. F. JONES,
Assistant Professor Political Economy, Winnipeg Institute.

You will note the distinction between modern scientific insurance and the earlier forms, which only have a very distant resemblance to insurance as we know it today. Those earlier forms of co-operation, mutual help and fraternal benefit, go back as far as we know in civilized history. You will find, for example, under the Roman Republic, and later under the Roman Empire, associations of workmen, associations of priests, for mutual benefit, mainly for the purpose of seeing that their members obtained a decent burial. That notion of the burial club is still actually at work in the industrial centres of Great Britain and Europe at the present time.

We find, too, there were various attempts at insurance later on during the Middle Ages. We had the guilds looking after the interests of their members in general. They had special contracts. When a man went to the wars or took part in the crusades, he would make special arrangements with some money lender, by paying down what we now call a premium, in return for which he obtained a ransom if he happened to fall into the hands of the enemy.

Company Investments

One or two things that are of interest to the student of economics, when he looks at the field of insurance, may be put before you in this way. You know, of course, that by the collection of premiums from various individuals a large fund is accumulated which makes it possible for production to be stimulated in a way that could not be done if each of those individuals were left to make his own choice of investment. As a matter of fact, there are few, if you take mankind as a whole, who are in a position to make investments.

Furthermore, the whole principle of life insurance could not have arisen until we had the use of money and extended the system of credit. Then, too, one of the most striking features to the student of economics about the whole business of life insurance is that it is almost entirely conducted with the funds of the policyholder.

The whole business of life insurance is a most beautiful illustration of the working of the credit system generally in our modern economic organizations. Now, because of the necessity for good faith, because of the intimate connection between the person and the few in the matter of life insurance, it has been necessary for the state as representing public opinion to take some action in the matter of insurance. It is becoming clearer every day that we are reaching a position of such complexity in our economic organization, that it is no longer possible to leave competition and general knowledge as the sole regulators of an important business of this kind. Publicity may be secured by regular reports, and there is, I suppose, still a certain amount of competition between companies, but publicity and competition by themselves are not enough. The average man is at the mercy of the company and the representative of the company. For those reasons it has been found necessary in nearly every state for the public authority to intervene in some way or other. The question that interests me most is what form shall this intervention take?

Government Regulation

We know in fact that so far there has been a regulation of the activities of insurance bodies. There has been a provision that they shall publish from time to time, in certain specific forms, the results of their year's work. There has been, too, in some cases, the establishment of an insurance commissioner of some kind to look after more especially the whole working of insurance in the district, or the province, or the state, or whatever it may be. Have we reached a time when it will be profitable for the state, as representing the community, to go further into this matter, and to take over, not only to look after the regulation of insurance companies, but to take over the administration, to control and operate them.

There are some things which may be said in general on this topic, which have reference to insurance matters, too. First of all we know that in any business there is a period of trial and error, when there is a great risk of loss and possibility of gain. We find it now, as a community, profitable to leave the conduct of any enterprises, when they are in that state, to private individuals or public companies or corporations.

I will remind you of a well-known summary of what is required before there can be any such thing as scientific insurance. There must be first of all a risk of a general loss which neither the insured nor insurer can either prevent or hasten. Then there must be a large number of persons who have to face this risk. The third point is that the casualty, or whatever it may be, will fall only upon a comparatively few in any given period.

No Such Thing As Chance

You know most of the things which we are inclined to put down to chance can be known and understood if we only observe them long enough, and take a sufficient number of instances. After that has been done, what appears to be chaos is seen to be order. We find that though there is individual irregularity there is aggregate regularity.

Then the minor points are that the loss must be provided against, and lastly, that the cost of providing against this loss must not be prohibitive to the great mass of the people. Having given these conditions as necessary for any kind of scientific insurance, we go on to see how the thing is actually worked. There you have two main factors—the rate of mortality, which is established pretty well, and then you get the rate of interest on the investment. And so you might go on to consider the actual details of the working of life insurance.

SASKATCHEWAN'S BUILDING

New Buildings of Greater Value Started in April

From Our Own Correspondent.

REGINA.—The total value of new buildings actually started in Saskatchewan during April was $370,000 as compared with $120,000 of new work commenced the previous month. One of the features of the April building is the fact that more than half is of brick construction. One-third of the total represents new residences, the balance being commercial or industrial structures.

While there is no building boom in Regina considerable construction is taking place and building figures for the first week in May exceed returns for the corresponding period in April. In the first six days of the month, 26 permits, 19 of them houses, have been issued. These have a total value of $63,395.

EMPIRE HOUSING CO.

Will Aid in Building Homes for B. C. Steel Employees

From Our Own Correspondent.

HALIFAX.—A charter is being issued to H. E. Rice, H. J. McCann and A. W. Macdonald, of Sydney. of the Empire Housing Company, Limited, to assist employees in the several companies included in the British Empire Steel Corporation in building, securing and improving lands and homes. Funds may be advanced with or without security. The capital stock of the company is fixed at $10,000, in shares of $100 each. The company must commence business within two years.

LONDON HOTEL CO.

Reported United Hotel Co. to Take Over Control

Work in connection with the new million dollar hotel for the city of London has been halted temporarily. Considerable progress had been made in razing the buildings on the site selected, all but one, the Merchants Bank building, having been removed. It is reported however, that work has been delayed pending a proposed reorganization of the company as a result of which a majority of stock will pass into the hands of the United Hotels Company, and this hotel will come under the same control as the King Edward of Toronto, The Royal Connaught of Hamilton, and a number of others in large American cities.

Sale of Treasury bills by tender saves England £120,000 monthly, rate having declined from just under 6 per cent. to 5.56 per cent. Conversion of national war bonds into £1,024,000,000 3½ per cent. loan being criticized as extravagant, although favored by small investors.

CANADA LAND AND IRRIGATION GETS AREA UNDER WATER

Will be 8,500 Acres Completed by End of Summer

NOW HAS CAPITAL

Project, Delayed by War and Bank Failure, Will Be Speeded Up, is Hope

The recent sale in England of £300,000 of 7 per cent. debenture stock has given the Canada Land and Irrigation Co., Ltd., the necessary funds to proceed with its extensive irrigation project at Vauxhall, Alta. A new general manager, F. W. Hanna, who has had wide experience in irrigation engineering in the Western United States, has been appointed and by the end of the summer it is hoped to double the area of land under irrigation. Last July the first 4,000 acres of the company's land was put in to crop, after many years of nothing but construction work, and financing and re-financing, and this land, together with the additional 4,500 acres that will be under crop this year, will be the first return to the company on its heavy investments in the scheme. In 1922 it is hoped to have about 18,000 acres in crop.

Own Half Million Acres

The company's plans at first called for the irrigation of about 190,000 acres of a total of 487,000 acres of land owned between Medicine Hat and Lethbridge. The outbreak of war and the failure of an English banking house brought about the stoppage of all work on the scheme and necessitated considerable re-financing. In 1917 the present company was formed and £205,000 was raised by an assessment. High labor costs and increases in the cost of materials made this sum inadequate to complete the works and a further £300,000 was raised last month by the sale of that amount of prior lien debenture stock. To induce former shareholders to subscribe, a provision was made to the effect that the stock should be redeemable at any time between 1929 and 1933 at 100 per cent. premium. At the same time as the offering was made a letter was sent to the shareholders, pointing out that "on a conservative estimate of the rate of irrigation and of land sales, this property should be all sold by 1949, and the final instalments of purchase money should be paid by 1952." An estimate of the returns from land sales, etc., during that time was made, indicating that the "balance of net surpluses available for debenture stock holders and the shareholders should be about £2,280,000, receivable over a period of years from 1934 onwards."

Thus ordinary shareholders are very unlikely to receive any return on their money for some years yet, though if no further delays occur in the completion of the irrigation scheme they should eventually be reimbursed for their investments.

Irrigation Proves Successful

In the lands that have already been brought under irrigation by the company the results have been very successful. Tests made indicate that the annual productivity of the soil has been increased by from $41 to $232 per acre, the following table shows:

	Value per acre.		
Crop	Dry land.	Irrig. land.	Inc.
Alfalfa	$ 12.07	$ 76.49	$ 64.42
Wheat	33.02	74.98	41.96
Oats	24.11	59,67	35.56
Barley	23,94	71.08	47.14
Peas	57.78	125.26	67.48
Potatoes . . .	103.12	335.27	232.15
Sugar beets .	52.15	104.02	51.87

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Building absolutely modern in every respect.
Will yield about 25% on money invested.
Well worthy of your consideration.
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Member Toronto Real Estate Board
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Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets Over - - - $8,000,000.00
Losses Paid Since Organization - - - $77,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bikerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - - TORONTO
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - $4,300,000.00
Losses Paid Since Organization, over - $47,000,000.00

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH
Managing Director

LLOYDS BANK LIMITED.
Head Office: 71, LOMBARD ST., LONDON, E.C. 3.
($5 = £1.)
CAPITAL SUBSCRIBED $353,444,900
CAPITAL PAID UP - - 70,688,980
RESERVE FUND - - 50,000,000
DEPOSITS, &c. - 1,731,987,765
ADVANCES, &c. - - 755,395,865
THIS BANK HAS OVER 1,500 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C. 3.
London Agency of the IMPERIAL BANK OF CANADA.
The Agency of Foreign & Colonial Banks is undertaken.
Affiliated Banks:
THE NATIONAL BANK OF SCOTLAND LIMITED. LONDON & RIVER PLATE BANK, LIMITED.
Auxiliary:
LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LIMITED.

LONDON JOINT CITY AND MIDLAND BANK LIMITED
CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
S. B. MURRAY F. HYDE E. W. WOOLLEY
Subscribed Capital - - £38,116,050
Paid-up Capital - - - 10,859,800
Reserve Fund - - - - 10,859,800
Deposits (Dec. 31st, 1920) - - 371,841,968
HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2.
OVER 1,500 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2.
Atlantic Offices: *"Aquitania" "Imperator" "Mauretania"*
AFFILIATED BANKS:
BELFAST BANKING CO. LTD. THE CLYDESDALE BANK LTD.
OVER 110 OFFICES IN IRELAND OVER 160 OFFICES IN SCOTLAND

THE MERCHANTS BANK OF CANADA

Annual Meeting

THE Annual General Meeting of Shareholders, for the election of Directors and other general business of the Bank, will be held at the Banking House, in the City of Montreal, on Wednesday, the first day of June next. Chair will be taken at 12 o'clock noon.

By Order of the Board.
D. C. MACAROW,
General Manager.
Montreal, 26th April, 1921.

The Canadian Bank of Commerce

DIVIDEND NO. 137

NOTICE is hereby given that a dividend of Three per cent. upon the capital stock of this Bank, being at the rate of Twelve per cent. per annum, has been declared for the quarter ending 31st May next, and that the same will be payable at the Bank and its Branches, on and after Wednesday, 1st June, 1921. The transfer books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 22nd April, 1921.

Wayagamack Pulp & Paper Co., Limited

DIVIDEND No. 6

NOTICE is hereby given that a Dividend of one and one-half per cent. (1½%) has been declared on the Capital Stock of the Company, for the quarter ending 31st of May, 1921, payable the first of June, 1921, to shareholders of record at the close of business on the 17th of May, 1921.

By order of the Board.
E. L. WILSON,
Secretary.

Bank of Montreal

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid-up Capital Stock of this Institution, has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST DAY OF JUNE next, to Shareholders of record of 30th April, 1921.

By order of the Board,
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 22nd April, 1921.

THE ROYAL BANK OF CANADA

DIVIDEND NO. 135

NOTICE is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Wednesday, the first day of June next, to shareholders of record at the close of business on the 14th day of May.

By order of the Board,
C. E. NEILL, General Manager.
Montreal, Que., April 15, 1921.

BUSINESS STILL FACES PROBLEMS OF ADJUSTMENT

Continued from page 1.

now on there will be steady and gradual improvement. A report from the city of Vancouver indicates that while industry is quiet, there has been considerable improvement over the last three months. There has been little decrease in unemployment, and while wages are being reduced no large cut has as yet been made. While building in the building trades is depressed at the moment there is an indication that there will be a considerable expansion of the volume of activity shortly.

The city of Rossland is situated in a mining field, and it is reported that the properties are being operated on a comparatively small scale although there has been some increase in the number of men employed within recent weeks. The mine owners appear to be waiting for a still greater reduction in the costs of material. etc.

From the town of Revelstoke, a railroad centre, it is reported that the volume of freight handled there has been reduced 50 per cent. compared with last year. In the smaller centres of British Columbia the retail dealers have been loath to cut prices, but the fact that a large number of consumers have been sending to the largeer cities for their supplies has compelled action in this respect.

The Prairie Provinces

The West has been under a handicap owing to the very broad decline in the prices for grains, and this condition has been reflected in business throughout this district. Not only has the western farmer been required to accept less than the anticipated prices for his crops, but the crop yield was hardly up to expectations. There has been a decided improvement in sentiment in recent weeks, although it is difficult to trace any tangible benefit into business. The crop outlook has been brightened by the fact that abundant showers have fallen recently, thereby ensuring a favorable impetus at the beginning of the season. Retail prices are slowly declining, and there is room for further movement yet. Sales on the whole are on a smaller scale than last year, one correspondent from Calgary estimating the total for the first three months of the year at least 25 per cent. below the corresponding period of last year. Stocks in the hands of the retailers are generally much lower than at this time last year and western retailers are not entering the markets freely for goods.

There is undoubtedly a large quantity of grain still in store in the west, and farmers will probably have to dispose of their holdings to less advantage than under the market conditions prevailing last fall. In many districts collections are being made with difficulty, due to the fact that the farmers entered heavy commitments last fall in anticipation of large crops and high prices. They have been disappointed in both respects, and in consequence have in many instances been required to ask for an extension of credit.

The industries of the west are of course not highly developed, but the industrial centres have experienced a period of quiet. Some progress has been made in the reduction of wages especially to farm help.

A correspondent in Kamsask, Sask., outlines the situation as follows :

> Retailers are marking down their goods somewhat, but they have to mark them down a good deal yet before the public can be induced to see that they are getting real bargains. So far as I can see retailers are buying very little, in fact, only enough to replace sold out lines. Payments of all kinds are very slow except among those merchants who have been conducting business on cash lines.

Ontario

The most hopeful phase of the situation in Ontario is the fact that the retail dealers are doing a large business as in the other provinces of the Dominion. At no time since the adverse turn in trade materialized last fall, has the turnover of the retailer suffered any drastic decline. The turnover is without doubt above the average of the previous year. Profits have suffered, but in the fact that the dealer is able to sell his goods freely lies the solution of the present situation. With the distributing agencies rapidly depleting their own stocks, they must come into the market more and more for new goods and this will in time be reflected upon the industrial field.

The replies without exception indicated that retail trade was at or near last year's level, and in some few cases distinctly above. There appears to be room for a still further adjustment of prices, but on the whole merchants have made progress in the movement toward normal price levels. At the moment, however, retail buying is proceeding cautiously, and there is a tendency to buy only for immediate requirements.

The industrial situation has not shown the improvement hoped for with the return of spring. Almost without exception the reports indicate that industry is still stagnant with the volume of unemployment large. There appears to be a general movement toward lower wages throughout the province, and this will hasten the return of normal conditions.

From Saulte Ste Marie it is reported that the Algoma Steel Corporation has just re-opened after being closed four or five weeks. On the other hand there is the prospect of a shut down of the paper mills, which will have a tendency to offset the favorable influence of the opening of the steel plant. In the town of Wallaceburg the Dominion Glass and the Dominion Sugar company's plants have closed down, throwing about 1,000 persons out of employment.

While there is a great shortage of housing accommodation throughout the province, building so far has not assumed normal proportions. Building is confined largely to houses. There are prospects of lower costs which should stimulate activity in this line.

Quebec

Reports from a number of centres in the province of Quebec lead to the conclusion that retail trade has on the whole been very satisfactory. As yet no decided improvement can be traced, but there is a feeling of hopefulness for the future. Accounts appear to have been met in a satisfactory manner in this province. At Gaspe, however, a town which depends largely on the fishing industry, the report is distinctly unfavorable. Our correspondent writes that business is largely at a standstill in this district. The flat failure of the fisheries last summer coupled with the collapse of the market has wiped out a large number of the smaller merchants. Those that survive are not in a position to grant credit for fitting out boats, etc., many fishermen will not be able to equip themselves in consequence. In connection with the lumbering industry of the district it is reported that wages have been cut during the winter and spring, and men are now working on the drive at $1.00 a day.

Industry continues highly decreased, with many factories closed down.

Wages are being reduced slowly. The E. B. Eddy Co., the largest employer of labor in the city of Hull, has notified its employees of a cut in wages of approximately 20 per cent.

The Maritimes

With the balance of the Dominion the Maritime provinces are suffering from the curtailment of business operations. No definite trend can as yet be traced, although there has been some slight indications of improvement. Retail trade is being conducted along fairly normal lines, and merchants have made progress in marking down their goods and stocks appear to be fairly well reduced. Orders for new goods are restricted as much as possible however. Accounts on the whole are being paid fairly well, but not as freely as during the previous year.

Industrial plants are working well below capacity. No reduction has as yet been made in the volume of unemployment. There is little building in view for this season, and it will take an extensive decline in costs to stimulate activity in this field in the near future. The season's crops appear to have been fairly well marketed in the eastern section of the country.

From the city of Sydney Mines, N.S., it is reported that business during the month of April has been far ahead of the previous months of the year. The chief industries of the town, however, coal colleries and steel are stagnant. The steel plant has been idle since November last, and the colleries have worked on an average of two days per week since early February. Unemployment has been on the increase during that time.

On Prince Edward Island farmers are willing to market existing stocks at present prices. A large number of farmers have quantities of potatoes on hand which they are apparently unable to dispose of at the present time.

GRAIN COMMISSION EQUAL TO THE TASK

Canadian Council of Agriculture Unfavorable to Grain Inquiry Board

From Our Own Correspondent,

WINNIPEG.—The resolution condemning the Royal Grain Enquiry Board appointed by the Federal Government passed by the Western members of the Canadian Council of Agriculture, at a meeting held in Winnipeg recently, points out that the appointment of the board was unnecessary as the grain commissioners were fully equipped to do the same work. Another point made was that the appointment to the board of a member who has served for nine years as a member of the board of grain commissioners was highly undesirable. The resolution passed follows:

> Inasmuch as the farmers' organizations of the western provinces during the past 20 years have been closely identified with the development of the Canada Grain Act to its present form; and as they continue to look forward to amendments and improvements in the Canada Grain Act with the hope that ultimately it may provide for a system of grain marketing perfected to the highest degree of efficiency in the national interest, the western members of the Canadian Council of Agriculture in considering the action of the federal government in appointing a royal grain inquiry board to investigate the subject of the handling and marketing of grain in Canada, are of the opinion:
>
> "(1) That the Board of Grain Commissioners for Canada, if composed of capable men, sympathetic to the purpose for which it was appointed, would be competent to deal with all matters pertaining to the grain trade of Canada, thus saving the Canadian people the considerable expense of maintaining a Royal Grain Inquiry Board;
>
> "(2) That to appoint as a member of this inquiry board, one who for nine years has sat as a member of the board of grain commissioners, whose failure properly to administer the Grain Act would constitute the principal ground for appointing a board of inquiry, is a fundamental breach of the principles of any inquiry conducted in the spirit of British law; and, therefore, is highly undesirable in the public interest;
>
> "(3) That any design on the part of the government, as suggested in the columns of the press in many quarters of the Dominion, and by speeches from public men, to have the recently appointed grain inquiry board used against the organized farmers' movement in the west for partisan political purposes, is a prostitution of governmental authority, and will be resented strongly by organized farmers throughout the whole Dominion;
>
> "(4) And finally, that as the accredited representatives of the great body of grain producers of Western Canada, and having an intimate knowledge and experience of the disastrous conditions obtaining in these provinces due to prices for grain having fallen below costs of production, we are vitally interested in every phase of the problem of grain marketing, and are persuaded that improvements must be effected, and consequently would heartily welcome a genuine inquiry for the purpose of bringing about such improvements in facilities for grain marketing as would ensure to the farmer a fair price and a stable market."

TRADE IN MARITIMES

An Eastern Board of Industry nad Commerce Proposed

From Our Own Correspondent.

ST. JOHN.—At a joint meeting of the St. John Commercial Club and the Board of Trade, a resolution was adopted, calling upon the Provincial Governments of New Brunswick, Nova Scotia and Prince Edward Island to establish and support a Maritime Board of Industry and Commerce, with a permanent paid secretary, the purpose of such board being to study all matters relating to the industrial and commercial interests of the Maritimes, including policies relating to immigration and agricultural development. This may be regarded as a phase of the get-together movement in the Maritimes, which though unlikely to produce a political Maritime union in the near future, may very well result in combined action for the promotion of the general industrial and commercial interests of the three provinces.

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Manufacturers and merchants placing their business accounts in any branch of this bank, benefit by highly efficient service and expert advice on all matters pertaining to financing. In close daily contact with markets and exchanges, we are in a position to offer helpful co-operation in the transaction of your affairs.

343

IMPERIAL BANK
OF CANADA
218 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND — Bank of Ireland, Dublin and Branches. Agents in FRANCE: Credit Lyonnais, Lloyds and National Provincial Foreign Bank Limited.

Changing Conditions

IN these times of changing conditions, prudent people naturally prepare for what the future may hold for them by conserving their resources, saving every dollar possible, reducing expenses, cultivating a growing Savings Account.

Opportunities are always offering to those who have saved the small Capital necessary to take advantage of them.

The Manager at any of our Branches will be pleased to receive your account. A small sum and a few minutes will secure you a Savings Pass Book.

We Give Service

Thos. F. How
General Manager

THE BANK OF TORONTO
Capital $5,000,000. Reserves $6,986,354.

53

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
FINANCIAL ASSISTANCE
to Estates being administered by it
PAID-UP CAPITAL AND RESERVE..........................$1,172,000
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY
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Would you like to be in a business that will give you
A Good Living
A Profitable Future
A Provision for Old Age?

The Life Insurance Business offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

We are willing to take any ambitious man and train him in our work, provided he shows some ability.

This is done by a correspondence course and personal assistance, free of charge.

When he is fully prepared for the work, we place him in a position and help him deal with all phases of Life Insurance, including the new and rich fields of Business Insurance, Monthly Income, Pension, Group Insurance and Succession Duties.

The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay men who desire to get on in the world to look into this.

All correspondence is strictly confidential.

CANADA LIFE ASSURANCE COMPANY ESTD 1847

CANADA LIFE ASSURANCE CO.
HEAD OFFICE, TORONTO

DEBENTURES FOR SALE

TOWN OF PEMBROKE

SEALED tenders will be received by the undersigned up to 3 p.m. Wednesday, May 25th, 1921, for the following debentures:

$31,369.90 of Local Improvement, 10 year, 6%.
$14,696.82 for Waterworks purposes, 20 year, 6%.
$34,257.78 for Waterworks purposes, 30 year, 6%.

All to be repayable in equal annual instalments of principal and interest.

Highest or any tender not necessarily accepted.

S. L. BIGGS,
Clerk-Treasurer.

BY-LAW No. 41

Town of Alameda, Province of Saskatchewan

DEBENTURES FOR SALE

TENDERS will be received by the undersigned up to June 1st, 1921, for the purchase of the Debentures of the town of Alameda, Province of Saskatchewan, for ($6,500.00) six thousand five hundred dollars, for the purpose of building a rink, payable in equal annual payments of principal and interest for (10) ten years. Interest computed at the rate of (8) eight per cent. per annum. Denominations to suit purchaser.

No tender necessarily accepted.

T. H. TRUSCOTT,
Town Clerk,
Alameda, Saskatchewan.

City of Saskatoon

Debenture Issue, $204,000

Time for receiving tenders extended

THE time for receiving tenders on above-mentioned debenture issue has been extended to 12 o'clock noon, June 6th, 1921.

A. MacG. YOUNG, Mayor.
ANDREW LESLIE, City Commissioner.
Saskatoon, May 16th, 1921.

Belding-Corticelli Limited

DIVIDEND NO. 26

NOTICE is hereby given that on the Preference Stock of this Company, the Directors have declared a Dividend of 1¾%, payable on the 15th of June, to Shareholders of record at the close of business, the 1st day of June, 1921.

By order of the Board,
D. R. KENNEDY,
Secretary-Treasurer.

NOTICE

To Shareholders,

The Petrol Oil & Gas Co. LIMITED

(No Personal Liability)

THE Directors to-day declared a quarterly dividend of one per cent. (1%), being at the annual rate of four per cent. (4%) on the issued stock of the Company, payable to shareholders of record on the books of the Company at May 31st, 1921.

The Petrol Oil & Gas Co.
LIMITED
(No Personal Liability.)
A. H. PERFECT, M.D.,
Secretary-Treasurer.
Toronto, May 17th, 1921.

NEW BROKERAGE FIRM

A new brokerage firm has been formed in Montreal by Graham Drinkwater under the name of Drinkwater & Co., and the seat of Oswald Bros. has been transferred to Mr. Drinkwater. The new broker is at present connected with Aldred & Co., and previous to that was vice-president of Canadian Fairbanks-Morse Co., Limited.

British coal production estimated to be 28,000,000 tons behind normal production due to strike. Practically no coal mined in six weeks. Average weekly production for 1920 4,410,000 tons.

SAYS CANADA'S SALMON GIFT POOR QUALITY

"Some Fed to German Prisoners and Much Thrown Away"

PACKERS UP IN ARMS

Declare That London Report is Absolutely Unfounded—Perhaps Aimed at Canada's Export Trade

VANCOUVER.—A special London despatch to the Montreal Gazette from John MacCormac declaring that Canadian fish packers had been given a bad name on the other side because of the quality of fish exported during the war and quoting a "leading member of the canned goods section of the London Chamber of Commerce" to the effect that "of the 25,000 cases of salmon sent as a gift to England by Canada some was given to the German prisoners and much had to be thrown away," has greatly incensed the Pacific coast packers. The London report adds that there is a good market in England for "pink" salmon but that Canada should not ship "chum."

Dealing with this despatch the Hon. Wm. Sloan, Commissioner of Fisheries for British Columbia, states: "The statement is wholly untrue and is liable to injure the good name of British Columbia and its salmon."

The facts, according to Mr. Sloan, are as follows:

> The entire 25,000 cases of B. C. pink salmon were 1914 pack of B. C. pink salmon. No other variety was shipped. Before purchase and shipment the entire shipment was inspected, personally, by three of the foremost salmon authorities and inspectors in the world, Messrs. E. O. Cornish, representing Simpson & Roberts of Liverpool; W. P. Powell, representing Dodwell & Co., and the late Frederick Hawkins, representing R. B. Green & Co., Liverpool. These men inspected and bought the bulk of the B. C. pack for British firms that year. This salmon was further inspected by Col. F. H. Cunningham, then chief inspector of fisheries for the Federal Government; D. N. McIntyre, deputy commissioner of fisheries for B. C., and C. P. Hickman, inspector of fisheries for B. C. On arrival in London, the entire shipment, at the request of the province of B. C., was again inspected by the government food inspectors. They pronounced the entire lot first class. On the strength of their report Lord Kitchener ordered ten thousand cases of the lot shipped to British troops in France. The quality of the salmon in this shipment when introduced to France resulted in France buying all the pink pack of 1915 which was available. The balance of the lot, 15,000 cases, were distributed to districts where there was distress in Britain. The agent general for British Columbia in London has many letters on file testifying to the excellent quality of the B. C. canned salmon so distributed.

The Minister of Fisheries invites John MacCormac to visit the office of our Agent-General, F. C. Wade, at British Columbia House, London, S.W., and look over the letters and documents covering this entire gift of 25,000 cases of British Columbia pink salmon.

In discussing this matter with one of the salmon packers on the coast he advises FINANCIAL POST that the Salmon Packers' Association, and all the well-known packers, and all the recognized salmon inspectors and experts worked like one man toward the end that nothing but the absolute finest British Columbia pink salmon should find its way to the British market—most especially in view of all the circumstances and the purposes to which the shipment was intended. One packer suggested that there was a strong possibility of Japanese salmon interests having a hand in this attempt to discredit the British Columbia product. There will likely be inquiry made as to the responsibility of this "member of one of the largest London importing houses."

CITY OF TORONTO

$5,000,000 Serial Bonds

Sealed tenders, endorsed "Tender for City of Toronto Bonds," addressed to Thomas L. Church, Esq., K.C., Mayor and Chairman of the Board of Control, will be received by the undersigned until 12 o'clock noon (daylight saving time), Wednesday, 1st June, 1921, for the purchase of $5,000,000 serial bonds, issued on account of the acquisition and rehabilitation of the Toronto Railway Company.

Full details as to the purposes for which the bonds are issued, and amounts maturing annually, together with financial statement of the City, will be furnished on application.

The legality of the issue has been approved by Mr. J. B. Clarke, K.C., Toronto, and his favorable opinion will be engraved on each bond.

The bonds are an obligation of the City at large, are issued in coupon form, with provision for registration of principal, and are of the denomination of $1,000.

They are payable both as to principal and interest in Toronto, and carry interest at the rate of 6% per annum, payable half-yearly. They are dated June 1st, 1921, the first maturity date of principal being June 1st, 1925.

Engraved bonds will be ready for delivery on or about June 10th, 1921. Delivery and payment, with accrued interest, are to be made at the office of the undersigned.

Tenders will not be received for any part, but must be for the entire issue.

A certified cheque, payable to the undersigned, for 2% of the par value of the bonds tendered, must accompany the tender.

Tenders specifying for bonds other than those herein described, or containing conditions varying from the above, will not be considered.

The right is reserved to reject any or all proposals.

GEO. H. ROSS,
Commissioner of Finance.

Treasury Department,
City Hall, Toronto, Canada, May 12, 1921.

BUSINESS PICKS UP IN RURAL PARTS

Revival of Buying on Large Scale in Vicinity of London

From Our Own Correspondent.

LONDON.—A noticeable revival of buying in the country towns all through this district is reported by travellers. The president of one of the city's largest shoe firms stated to THE FINANCIAL POST that during the past two weeks enough business has been secured from the country stores to keep the plant running until the end of the summer. Merchants, he says, have stopped buying from hand to mouth and are placing substantial orders.

Practically the same statement was made by a leading cigar manufacturer. He has been taking on more help every day in order to keep pace with increasing business. In addition to the regular business he says the summer resort trade promises to be the best in years and the owners of hotels and amusement places are buying heavily. Western orders have been coming in most satisfactorily and reports from the various provinces indicate splendid business ahead.

An important development at Leamington, Ont., is contemplated by the Diamond Tobacco Co., which plans the erection of several large new warehouses to take care of processing of tobacco for the growers.

COAL OPERATORS MOST EFFICIENT

But B. C. Investigation Commission Has Some Criticism of Dealers

From Our Own Correspondent.

VICTORIA. — Although commending the operators of Vancouver Island coal mines for their efficiency and familiarity with the latest methods of production, the report submitted to the provincial Government by the coal investigating commission, headed by Alexander Henderson, charges certain coal retailers with deliberate attempts to maintain prices at a high artificial level.

The report holds that dealers' combines have been operating in Vancouver for the sole purpose of keeping up prices and that short-weighting was frequently done; that the public has lost the advantage of close competition in prices.

Referring to the mine operations, Mr. Henderson states:

> "I cannot refrain from remarking upon the evidence respecting conduct of mining operations on Vancouver Island. This evidence shows that the management is excellent, that the superintendents and others in charge are most experienced and intelligent men, and are familiar with the best and latest modes of mining, that the operations are well and efficiently conducted, and it reconciles one slightly to high prices, to learn that the provisions for the safety and welfare of the workmen are of the very best and that improvements are being constantly made."

IRON AND STEEL MARKETS

Buyers Are Still in Command in the Situation

The matter of turning from the period of liquidation to straight business once more is occupying the attention of dealers in the iron, steel, and to same extent in the tool market, says Canadian Machinery. For some months dealers have been engaged in reducing their stocks and for this purpose they have, in many cases, given special prices, especially in lines where they were heavily stocked with high-cost goods. In a number of cases quite recently dealers have been able to buy in the new market, add their profits and ask for a price in excess of the liquidation figure. Buyers are not ready for the change and realize that they are still in possession of the market and this tendency is making it hard for business generally to get away to a fresh start, as the liquidation price is still held as the figure for the market to follow.

During the week that has passed dealers in several lines reported better business than they have had for some time. They do not regard this as evidence of a turn for a bigger buying movement, but they are pleased to take it for what it is worth, and call it a good week's selling.

Prices have come down perhaps a little, but the movement in that direction is very gradual, as most of the lines have already been reduced.

LUMBER OF B.C. MOVES AHEAD OF PROPOSED TARIFF

American Experts Study Production Costs in Canada

From Our Own Correspondent.

VICTORIA. — Representatives of the United States tariff commission have been in British Columbia recently securing information relative to the cost of lumber production for use in drafting the proposed tariff on Canadian lumber imports. Eben M. Whitcomb, of Washington, D.C., spent several days in Victoria and at other Vancouver Island points, making an investigation.

Talk of a tariff has stimulated demand for British Columbia lumber in the eastern states and a large volume of orders has been placed with coast mills during the last few weeks, mostly for two or three car lots. The reduction in rail rates, amounting to about $4.30 a thousand on lumber shipped from Vancouver as far east as Toronto, is having a beneficial effect on domestic trade, and the traffic between the two coasts by way of the Panama Canal has also increased as a result of the decision of the Associated Lumber Exporters to lift shipments made by this route from the export list, classing them the same as domestic lumber in the rail trade.

Oriental Exports

Foreign export of lumber has been brisk during the last few weeks, but there is some uncertainty as to what will happen in the Oriental market after July 1, when the new rates on westbound freight come into effect.

Statist's general commodity index number for April 30, 169.8, off 7.4 from March 31, says London cable to Daily News Record. Textiles higher but foodstuffs and minerals are lower.

THE STERLING BANK OF CANADA

Annual Report Year Ending April 30, 1921

GENERAL STATEMENT

LIABILITIES

Notes of the Bank in circulation		$ 1,210,409.00
Deposits not bearing interest	$ 3,643,855.79	
Deposits bearing interest (including interest accrued to date of statement)	13,588,756.06	
		17,232,611.85
Due to Dominion Government		3,100,000.00
Balances due to other Banks in Canada		280,094.83
Acceptances under Letters of Credit		3,200.00
Total Liabilities to the Public		$21,826,315.68
Capital Stock paid up	$ 1,232,200.00	
Reserve Fund	500,000.00	
Dividends unpaid	3,419.60	
Dividend No. 57, payable 14th May	24,644.00	
Balance of Profit and Loss Account carried forward	37,564.90	
		1,797,828.50
		$23,624,144.18

ASSETS

Notes of Other Banks	145,032.73	
Current Coin held by the Bank	$ 115,664.30	
Dominion Notes held	2,114,062.00	
Deposit with the Minister for the purpose of the Circulation Fund	65,000.00	
Cheques on other Banks	742,538.03	
Balances due by other Banks in Canada	6,564.00	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	328,959.21	
	$ 3,517,820.27	
Dominion and Provincial Government Securities not exceeding market value	9,197,940.47	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	2,766,064.97	
Railway and other Bonds, Debentures and Stocks not exceeding market value	337,173.94	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	123,269.71	
		$15,942,269.36
Other Current Loans and Discounts in Canada (less rebate of interest)	$ 6,754,094.36	
Overdue Debts (estimated loss provided for)	8,668.79	
Mortgages on Real Estate sold by the Bank	2,750.00	
Bank Premises, at not more than cost, less amounts written off	525,025.29	
Liabilities of Customers under Letters of Credit, as per contra	3,200.00	
Other Assets not included in the foregoing (principally consisting of interest accrued on Government Bonds)	388,136.38	
		7,681,874.81
		$23,624,144.18

G. T. SOMERS, President.
A. H. WALKER, General Manager.
Toronto, April 30th, 1921.

AUDITOR'S REPORT

This statement has been duly vouched by comparing all entries with the books at the Chief Office and certified Returns from the Branches and in my opinion is properly drawn up so as to exhibit a correct view of the condition of the Bank.

Cash and Securities have been checked at the Chief Office at 30th April, 1921, as well as at another time during the year, as required by section 56 of the Bank Act.

I have obtained all the information and explanations required, and am of the opinion that the transactions of the Bank, which have come under my notice, have been within the powers of the Bank.

J. J. ROBSON, L.I.A., Auditor.

Facing New Buying Conditions

REPORTS from retail hardware firms throughout Canada indicate that retail hardware stocks run from 30 to 35 per cent. smaller than a year ago. Present indications are that retailers are going to continue their present policy of carrying smaller stocks and of buying more often. One prominent hardware merchant (name on request) who conducts two of the finest hardware stores in Canada, in expressing his views, was typical of hundreds of Canadian hardware merchants who replied to questionnaires sent out by Hardware and Metal. This merchant states as follows: **"Our stock to-day is approximately 35 per cent. smaller than it was a year ago.** We have learned our lesson, and from now on we will do business with a smaller stock. Our sales up to the end of April show an increase over the corresponding period of a year ago. We find that we can conduct our business successfully with a much smaller stock than we carried in 1920. We are going to let the manufacturers and the wholesalers carry the stocks for us instead of loading up our stores with them. We may have to pay a slightly higher price for the goods on account of buying in smaller quantities, but in the long run it will pay us to do so. We have also found that where previously we carried three or four different makes of a certain line of goods we can get along quite nicely with one or two lines. In the case of furniture polishes, for instance, we carried four different lines in 1920. We have eliminated two lines altogether, and from now on will stock only two lines, unless we decide later to confine our efforts to one line only. The same process of elimination is going on throughout our store and we find that on many lines we were really carrying double stocks."

Practically the same story has been told by hundreds of the best hardware retailers in Canada. What does this mean from the standpoint of the manufacturer and the wholesaler? It means that during 1921 the retailer is going into the market nine times a year in place of three times formerly. Retailers will buy three times as often as they did last year. It means that nine times during the year, the retailer is going to decide which lines he will carry in stock. It means that nine times during the year, he is going to be susceptible to other lines. It means that from now on the retailer is going to be more discriminating, more careful in his buying, and that he is only going to stock and sell the lines on which he is best sold. The unknown, unadvertised lines are going to lose out in 1921. Retailers are not taking hand-outs at the present time. They are specifying what they want, and are buying only the lines with which they are familiar.

There has never been a time in the history of the hardware trade in Canada, when greater consideration was being given by retailers to merits of the various lines of goods offered to them. There never was a time in the history of the trade, when hardware merchants and their salesmen were more receptive to sales arguments than at the present time. Each purchase is being weighed carefully, as many manufacturers and their travellers well know. There never was a time in the history of the Canadian hardware trade when the advertisements in Hardware and Metal were being watched and read more carefully than at the present time. If there are any reasons why hardware merchants should specify your lines in preference to others, right now is the time to place the merits of these goods before the hardware trade of Canada.

This can be accomplished through Hardware and Metal, the paper that is read by practically every worth-while hardware buyer throughout Canada. The cost is exceedingly small. If desired, the Advertising Service Department of Hardware and Metal will gladly co-operate with you in the preparation of copy and will assist in placing your messages before the Hardware trade in the most effective possible manner.

Do not overlook the fact that 1921 business requires solicitation and that now is the time to build for 1922.

Advertising in a trade newspaper such as Hardware and Metal is the best insurance you can secure at the present time. Will the retailers order your products or your competitors? They will order the goods on which they are best sold. Remember what "Babson" said:—

> "Business will be called 'quiet' but in many lines there should be some improvement. If you have weathered the storm of the past seven months, you can take courage! At this stage of depression the main problem is selling. Cut down your production expenses as far as you can, do without further expansion in new buildings and equipment, *but don't skimp on your selling appropriations.* Now is the time to use that reserve fund which was set aside during the fat years! Later in the depression area we shall come to the point where you should increase your plant, but this summer—*increase your advertising! Take the aggressive course.* There will be *considerable business; the firm which goes after it* will be the one to get it!"

ROGER W. BABSON,
Babson's Statistical Organization.

HARDWARE & METAL

Published by The MacLean Publishing Company

Publishers of 16 Trade, Technical and Class Magazines—each a leader in its field. MacLean papers are 100% members of Audit Bureau of Circulations.

Magazines—
MacLean's
Farmers'

Commercial—
Financial Post

Trade—
Druggists' Weekly
Dry Goods Review
Men's Wear Review
Bookseller & Stationer
Printer & Publisher
Sanitary Engineer
Hardware and Metal
Canadian Grocer
Motor, Tractor and Implement Trade Journal

Technical—
Power House
Canadian Foundryman
Marine Engineering
Canadian Machinery